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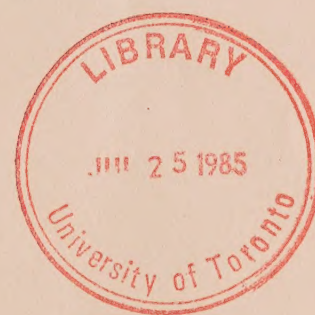
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STANDING COMMITTEE ON PROCEDURAL AFFAIRS AND AGENCIES, BOARDS AND
COMMISSIONS

ORGANIZATION

THURSDAY, JULY 11, 1985



STANDING COMMITTEE ON PROCEDURAL AFFAIRS

CHAIRMAN: Breaugh, M. J. (Oshawa NDP)

VICE-CHAIRMAN: Mancini, R. (Essex South L)

Bossy, M. L. (Chatham-Kent L)

Marland, M. (Mississauga South PC)

McCaffrey, R. B. (Armourdale PC)

McClellan, R. A. (Bellwoods NDP)

Morin, G. E., Deputy Chairman and Acting Speaker (Carleton East L)

Newman, B. (Windsor-Walkerville L)

Sterling, N. W. (Carleton-Grenville PC)

Treleaven, R. L., Deputy Speaker and Chairman (Oxford PC)

Warner, D. W. (Scarborough-Ellesmere NDP)

Clerk: Forsyth, S.

Assistant Clerk: Decker, T.

Staff: Eichmanis, J., Research Officer, Legislative Research Service



LEGISLATIVE ASSEMBLY OF ONTARIO

STANDING COMMITTEE ON PROCEDURAL AFFAIRS
AND AGENCIES, BOARDS AND COMMISSIONS

Thursday, July 11, 1985

The committee met at 11:22 a.m. in room 151.

ORGANIZATION

Clerk of the Committee: It is my duty to call upon you to elect one of your members as chairman.

Mr. Mancini: I nominate, and I hope we can elect unanimously, the member for Oshawa (Mr. Breaugh) as the chairman of the standing committee on procedural affairs and agencies, boards and commissions.

Mr. McCaffrey: I second that.

Clerk of the Committee: Are there any other nominations?

Interjection: I move they be closed.

Clerk of the Committee: There being no further nominations, I declare the nominations closed and Mr. Breaugh duly elected chairman.

Mr. Chairman: We need a vice-chairman. The nominations are open for vice-chairman.

Mr. McClellan: I nominate Remo Mancini for vice-chairman of the committee.

Mr. McCaffrey: I second that.

Mr. Chairman: Any further nominations? The third and final time? Mr. Mancini is vice-chairman of the committee.

We need a motion to have a transcript made of the committee meeting this morning.

Mr. Warner: I move that unless otherwise ordered, a transcript of all committee hearings be made.

Mr. Chairman: There is the motion. Any debate on it? Those in favour?

Motion agreed to.

Mr. Chairman: The first order of business will be to try to get together and establish priorities for the work of the committee. We do have a fair number of matters on the committee's agenda.

Mr. Mancini: Mr. Chairman, if I may, I would like to

move that we go in camera to discuss these matters of consideration and that only the members of the Legislature and members of this committee be present.

Mr. Chairman: We have a motion to go in camera to sort out the priorities, set budgets and whatnot. Any discussion on that? Those in favour? Those opposed?

Motion agreed to.

The committee continued in camera at 11:27 a.m.

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STANDING COMMITTEE ON PROCEDURAL AFFAIRS AND AGENCIES, BOARDS
AND COMMISSIONS

TELEVISION IN THE LEGISLATURE

MONDAY, AUGUST 12, 1985

STANDING COMMITTEE ON PROCEDURAL AFFAIRS

CHAIRMAN: Breaugh, M. J. (Oshawa NDP)

VICE-CHAIRMAN: Mancini, R. (Essex South L)

Bossy, M. L. (Chatham-Kent L)

Marland, M. (Mississauga South PC)

McCaffrey, R. B. (Armourdale PC)

McClellan, R. A. (Bellwoods NDP)

Morin, G. E., (Carleton East L)

Newman, B. (Windsor-Walkerville L)

Sterling, N. W. (Carleton-Grenville PC)

Treleaven, R. L., (Oxford PC)

Warner, D. W. (Scarborough-Ellesmere NDP)

Clerk: Forsyth, S.

Assistant Clerk: Decker, T.

LEGISLATIVE ASSEMBLY OF ONTARIO

STANDING COMMITTEE ON PROCEDURAL AFFAIRS AND
AGENCIES, BOARDS AND COMMISSIONS

Monday, August 12, 1985

The committee met at 2:10 p.m. in room 228.

TELEVISION IN LEGISLATURE

Mr. Chairman: We are ready to go. What we would like to do this afternoon is get a rough draft of where we are going with the electronic Hansard. We thought it would be useful to go over the guidelines that were established in Saskatchewan and to talk a bit about the procedure that is used in Ottawa.

Essentially, in the latter part of this week, we will be inviting people from the press gallery to appear before the committee, as well as the Speaker and perhaps some people from CFTO and other broadcasters, so we will get some sense of any problems we might encounter and some idea of how complicated it would be to exercise various options.

We have some response from CFTO stating positive support for the idea of electronic Hansard and offering a suggestion that it might appear before the committee. In a letter from Mr. Stuebing, vice-president of news and public affairs, he mentioned it was his view that a system of switched, continuous, live coverage available to all at the Bell Canada Toronto operating centre should be the goal. I must confess that is a bit of a new concept to me and one we might explore a little to see what it entails.

Unless anyone else has any suggestions, I would like to begin by going over the guidelines from Saskatchewan. For the benefit of those who were not with us last week, the general impression of the committee was that we preferred the Saskatchewan model as a means of televising the proceedings. From a member's point of view, it seemed to be a system that is less intrusive on your life, so to speak. There is virtually no glare from lights. The cameras are semi-automatic--I think three of the cameras are automatic--and it seemed to us as observers that they provided at least as good coverage as did the manually operated cameras at the federal House.

At this time, I would say the inclination of the committee would be to recommend that we use a system much like Saskatchewan's. That would have to be adapted somewhat to this House, of course. We were intrigued with the notion that in Saskatchewan they have formal guidelines, and in Ottawa they apparently do not have them. There are no rules in Ottawa; there is nothing in the standing orders. They just kind of broadcast and take objections from various folks.

At our meeting in Regina, the committee expressed the opinion that it preferred the idea that there should be some sort of guidelines. Maybe before we start, we should reiterate that. Does anyone have any comments about that?

Mr. McCaffrey: I am sorry, Mr. Chairman. Could you just repeat the last part?

Mr. Chairman: At the little committee meeting we had on the last day in Regina, I sensed that the committee preferred to have a set of guidelines, written down and offered to the staff operating the equipment, to the members and other observers--some vehicle whereby one knew what the rules of the game were. I am operating on the assumption today that you would want to proceed along those lines.

Mr. Treleaven: I will speak to that. When we were in Ottawa, the main problem of the man in charge was that he had no guidelines to go by. There was a little trial and error, and if he stepped too far, he was in trouble. It was sort of catch as catch can. Sometimes it stayed very sterile.

Mr. Sterling: It is important that everybody understands the philosophy. The committee settled on the philosophy that most people wanted to provide as wide a range of coverage as possible, perhaps going beyond what was permitted in the House of Commons or in the Legislature of Saskatchewan, but still recognizing that a set of rules was necessary in order that there be fairness of treatment so everybody would be treated the same in terms of the kind of coverage that was provided.

Does that not basically reflect the philosophy of the committee as a whole? I thought that was what we were aiming at. We wanted better and more coverage so that the people could understand what was going on in the Legislative Assembly, but there was still a recognition of a need for rules so everybody would be treated the same regardless of where they were coming from.

Mr. McCaffrey: Like everybody else, we are going to end up repeating things we talked about at our last meeting, but we were impressed with the overall Saskatchewan thing, of which the guidelines were a part.

Remember the young fellow who did the bulk of the speaking, Gary Ward? I was quite impressed with him. He had extra good judgement. As I recollect, he thought it was timely to review the guidelines now, after three years. Remember that brief exchange between him and the fellow from the Canadian Broadcasting Corp., the latter fellow indicating he would like to be part of such a review?

Gary had established a very professional relationship with virtually everybody who was in his immediate constituency: the CBC, the members of the assembly and other people. The guy had good judgement, which you cannot put on a piece of paper. After three years he had probably established sufficient respect out there that a review of the guidelines is going to be left largely to him. I was very impressed with that guy and the flexibility he was able to show.

2:20 p.m.

Mr. Mancini: Unfortunately, I was unable to join the committee last week, but I have already seen the operation in Ottawa twice. I have seen the Quebec operation, and I am familiar with the Alberta operation. I have also looked over the guidelines that are written for the Saskatchewan assembly.

Basically, from what I can see or read here, the Saskatchewan guidelines, which are written, are not much different from the guidelines used in Ottawa, even though they are not written, and what takes place at some of the other legislatures.

The main points in the guidelines are that the main camera will focus on the Speaker until there is a question or someone gets up on the feet; then the camera moves to that person. I guess it is a simple head-and-shoulders shot.

Clause 7 states, "'Applause' shots may be taken"--leaving a great deal of discretion to the person who is actually running the operation; then it states, "however, a great deal of care must be exercised to ensure that these are in good taste and reflect the decorum of the chamber."

With a clause such as clause 7, we are putting a civil servant in a precarious situation. We are telling him he can perhaps do these other things, and then if he does them he has to be careful it is all in good taste. His good taste has to reflect the good taste of the 125 members of the assembly.

From reading that and looking at it, I am not sure there are any firmer guidelines in Saskatchewan than there are already in Quebec, Alberta and Ottawa. I fail to see the extent of the difference. The extent of the difference is that in one place it is written and in the other places it is not written.

Mr. McCaffrey: Take a look at point 5, Mr. Mancini. I will try to make my point that way. "When in committee of the whole...the overall view of the chamber shall be used...." Do you remember he showed us some tapes where there were prolonged discussions or procedural things when they were in committee of finance? Then they just put a blue background behind the thing. It is a judgement call. They discussed this, did they not? They showed a minister fumbling around for pieces of paper and getting briefed before he responded to a question. I think it was a collective view--obviously it would have been the government's view--that this was not good television; it was kind of boring. The alternative was to look at the table. Therefore, they used a blue background, and they had little words along the bottom explaining what was happening. They did not have to stick to the word "shall." That is the only point I am trying to make.

Mr. Chairman: One of the problems they ran into, which they shared with us, was one that would occur here. If the television screen shows the Treasurer being asked a question and he does not know the answer and has to have some minion whisper in his ear for four minutes, the Treasurer will not look smart. The government in Saskatchewan decided that was not exactly the way to proceed and that someone should dance or sing or whatever or that they should put a blue background up so it looked a little more coherent to the folks who were watching.

Mr. McCaffrey: I think it was you, Mr. Chairman, who suggested the words along the bottom could be, "Minister groping for answer."

Mr. Warner: Frantically.

Interjections.

Mr. Bossy: From what we have seen in Ottawa and in Saskatchewan, it all comes back to the fact that the cameras are controlled indirectly or directly by the Speaker. The Speaker recognizes, and as soon as the Speaker recognizes anyone, whether for a question or an answer, the microphones are activated. In the case of Saskatchewan, that automatically activates the camera to go right to that person. It is only on the entrance or when the Speaker rises at the end of a question or answer that it goes back to the Speaker.

The Speaker has the biggest control. It is then to define what kind of picture the camera should take, whether it is a broad shot or back down to head and shoulders or whatever it might be. Actually, the Speaker says who is recognized; that is the control. I know the control is that way in Ottawa. That was set up because of the complaints. It is only the Speaker who controls the House; so thereby he controls who is speaking and who is answering, and the cameras focus on that. Those are the only shots they are allowed to take in the House.

Mr. Chairman: One of the ironies is that if you recall the tapes we saw at the end of the Ottawa visit, the one thing that stands out in my mind, and this is just pointing out the fact, is that the Speaker is kind of centre stage. Yet when they showed the member for York South-Weston being expelled, I thought that put the Speaker in the worst possible light.

If you did not know the rules of the House and you did not know who the member for York South-Weston was, the whole thing was incoherent. The camera was on the Speaker through this whole time. Here is a guy in this black dress jumping up and down, saying, "Order, order." He named somebody, but the member was never identified, and the member was never shown on the screen. You did not know what was happening except this guy in the black dress kept getting up and yelling for order, which obviously was not forthcoming.

Mr. Bossy: He did not identify the member, and until that time the camera would not come in on that person. But the end camera came on and could be utilized the same way. As long as the Speaker is on his feet, the end camera could be used.

Mr. Chairman: From my point of view, one thing I would support being somewhere in the guidelines is to make it clear that what we want is a visual record. An electronic Hansard is a kind of video recording of the proceedings, but it must be coherent. In other words, people who are watching must be able to watch something that makes sense; it must make sense to them. Somehow we should do that.

Mr. McClellan: Basically, I want to make the same point. My sense of the way the system is implemented in Ottawa, both from the visit and more from watching the parliamentary channel, is that they have a very precious attitude towards the honourable members. They unnecessarily limit the kinds of things that can be covered because of what appears to be a kind of obsession with the parliamentary niceties in the House of Commons.

A little bit of flexibility provides an incredibly more coherent and understandable system. That was the basic difference between what we saw in Ottawa and what we saw in Saskatchewan, where the guidelines are broader and more flexible than they are in Ottawa. They permit different angles, a little bit of back and forth, shots of applause and a little bit of roaming around. I personally have no problem at all with even more flexibility than what we saw in Saskatchewan as long as we are clear that the criteria are coherence and understandability.

Perhaps when we are looking at the guidelines, we could do a little bit of work on number 11, which is the overall philosophy. The clerk can help us with language, but there could be some subordinate clauses that add coherence and understandability to the viewing public as part of the essential purpose of the exercise and that it be clear that those who are running the system have the professional and technical flexibility to make sure that what is happening is coherent to the people who are watching it. That would eliminate problems like the expulsion of the member for York South-Weston, when it was totally obscure what in the hell was going on.

Mr. McClellan: It would also end the problem in Saskatchewan of those four-minute pauses when the minister confers frantically with his assistant. People should be able to understand, without condescension, that this is the way the system works. There are occasions when ministers have to consult with their deputies to obtain technical information and everybody waits until that material is available. That is part of the process of the committee of the whole House.

It is quite silly to be embarrassed about that or to try to hide it from the television cameras and from the public. Coherence and understandability should be a guideline together with something that gives a certain degree of professional flexibility to the managers who assist and might take care of that set of problems. If there is some kind of vehicle for discussing problems with the members' committee then we can monitor these kinds of things as we go along.

2:30 p.m.

Mr. Warner: I agree with having the guidelines. It is something that has bothered me from the beginning when we went to Ottawa and it still bothers me to some extent. I see the guidelines as being essential in order to protect the people who will be producing the program from any possible political pressure. You can be assured that if someone around this place is the unfortunate victim of what he or she would classify as poor televising, then the member will not want that to happen again.

Therefore, you need guidelines. Without guidelines, whoever is in charge of the TV operation will run a risk. That is not right.

If there are any problems with the televising that we as members are going to institute in the House, then we as members have to be accountable, not someone who is hired to be the TV director. It has to be the members who take the pressure and flak about how the thing operates. That is where I see the guidelines as being necessary.

If you look at the purpose of the whole operation, which is to open up the legislative process to the people of Ontario, the problem comes when you have to explain it and have it understandable and also make some attempt to make it good television. The moment you try to make it good TV, you run some risks. That is why they talk about having no split-screening. That is something I would like us to discuss a little bit. Why not? Surely split-screening does help to create better television. Does it detract from the decorum of the House or from what you are trying to do? Therefore, I agree there should be guidelines.

Second, we should try to balance out this informative process with some attempt to make it good television. Otherwise, all the nice people in Ontario will not want to watch this stuff. If every time they turn on their sets it is dull and boring, after a while we are going to lose our audience. It would be a little silly to go through this big, expensive project and end up without any viewers.

Mr. Mancini: We are going to have to make a decision very early on as to what we mean exactly by the electronic Hansard recordings. If you are interested in creating another soap opera, I do not believe there is much support. If you are sincerely interested in trying to televise as much of the House proceedings as possible, then I think there would be great interest.

We could set up a list of possible scenarios that could take place in the Legislature and have suggestions as to how they could be handled. For example, if we are concerned that there is no continuity and a situation may not be understandable when a member is expelled, we could have a special subsection to read that if a member is expelled by the Speaker, the camera will be focused on the member for a period of so many seconds until the member leaves the chamber and then everything will go back to normal.

If we are concerned about the committee of the whole House in a situation where a cabinet minister--as has been our practice for a great number of years--has civil servants actually on the floor of the Legislature to assist him, then we could work out a specific procedure for when and if a minister is waiting for information.

But when we have television, if a minister finds himself in a position where it will take four minutes to get a piece of information, I doubt that the minister is going to say, "Please let us wait five minutes." He is going to ask the member who is asking questions, "Can we proceed until we get the answer and then we will revert back to your answer?" I do not think the electronic

Hansard is here to in any way replace the role of the news media. I certainly do not view it in that light. That is probably one of the reasons there are no split-screen shots in Saskatchewan, which has probably the most flexible legislative electronic Hansard in Canada.

I think we have to first decide what we truly want. If we want an accurate recording of what goes on, that is fine. If we are talking of creating a soap opera, I do not think there is much interest in that, at least from our side.

Mr. Chairman: One of the things you might consider is that, as it now exists, we are going from a situation where the cameras are here in this room, there are no rules, this guy is crawling around the floor, leaning over the desk, he is getting two shots, three shots, all of which would be highly illegal, immoral and just not done in Ottawa. It does not seem to me that it is causing a major problem, except that we are talking a little more than we usually do.

[Interruption]

Mr. Chairman: If someone is expelled here, the television cameras are upstairs. This usually happens later on in the evening when TV crews have gone beddy-bye, but if someone got thrown out between two and three o'clock in the afternoon, they could film the guy getting thrown out of the House and Tom with his sword parading him back and forth. So that is our current state. We have no rules, no guidelines, no one we can appeal to. If they want to film you reading the Globe and Mail, or worse, the Toronto Sun or even worse, page 3 of the Toronto Sun, like Mr. Treleaven does all the time, you have no recourse.

I think we are in a situation where we are going from no rules, no guidelines to something that would be more persistent and would go on during all the proceedings and that is probably the reason you might want to have some guidelines.

I would remind you that for almost a decade now, television cameras have been in the House and in committee operating with virtually no rules other than basically where they can set up shop. That is about the extent of it.

Television is in this chamber every day working with no guidelines. To my mind I cannot think of much more than perhaps one or two occasions when people have complained about camera shots that were used. The most legitimate complaint I ever heard was when Jim Renwick complained that they were going to drop cameras on his head and someone ought to chain them to the railing. That is the only complaint I heard. So somewhere between a situation where there is virtually no control over the camera, let alone guidelines, and what we saw in Ottawa, is probably where we will wind up.

Mr. Mancini: To respond to that very vital point you made, you actually compared the news services to an electronic Hansard. I do not believe you could compare the reports of the three major daily papers that cover us and/or the radio stations

that cover the Legislature and/or the number of other newspapers that have reporters here, to the recorded Hansard we already have in place. The recorded Hansard simply records what is being said by a member. It does not say the member has taken 30 seconds to find a piece of paper.

Now the news media might want to write a story saying that a member got up to give a speech, was very incoherent and took 30 seconds to find every single piece of paper he was looking for, but the Hansard that we have does not do that. I think we ought to stick to the same principle. We should not set up a system in any government that is going to try to editorialize what is going on. That is their job. Let them do the editorializing. It is done today, as we can see when we compare the written Hansard and the written word we read the following morning in the next day's press or hear that afternoon on the radio. They are the people who are supposed to editorialize, and that is the way it has always been. I think it works very well that way.

2:40 p.m.

I think the chairman knows, and other members of the committee may know, that we have gone to great lengths to eliminate interjections, which I fought against very hard. I had a long battle with the fellow up in Hansard; it was not his job to eliminate the interjections because he was then editorializing. If they could be heard, they should be in Hansard. I found even that somewhat unfair to the way the system was being reported, but I in no way see the electronic Hansard as a system that is going to replace the news service. News is news and there are people who are going to decide what are newsworthy items. I do not think we should set up a system where the Speaker or someone else that we hire as a civil servant should decide. I do not think we would be in favour of such a system.

Mr. Chairman: What we have to be aware of is that even with the written Hansard, you may choose to think there is no editorializing or no changing, but the printed Hansard that is done here is an attempt to be a verbatim report of the Legislature. That is not to say that every word uttered in the chamber gets printed. It does not.

They have worked out a little system of how to handle interjections. If you respond to an interjection, it will be included in the Hansard. If you do not respond, it probably will not be. There are several audio tracks on the tape that are used to pick up sounds, some of which are discarded, some of which are put in place.

Most members and most people who follow it are aware that Hansard does a little bit of editing here and there. They attempt to make it the full sentence when you have not quite succeeded at that. They occasionally will add a little grammar to your spoken word. It is all a matter of degree. Maybe what we should do is to focus initially on our definition of what we would like to see as an electronic Hansard. Maybe that would be helpful.

Mr. Sterling: There is obviously going to be a fair bit

of debate in all of our caucuses over the kind of guidelines we develop in this committee. I think it is incumbent on all of us to take those guidelines to our caucus to discuss them at least briefly. Until the service actually gets in place, are we going to be able to respond with any kind of knowledge? We are really groping in some ways as to how it is going to affect our lives from day to day in the Legislature.

We can talk about the philosophy and from where we are coming--each of us may be coming from a different quarter on it--but I see the greatest benefit from having an electronic Hansard in the House as being an educational tool for the public to understand a little better what is going on in the Legislature. I do not really see it as a valuable historical documentation of what goes on there, because I think so little of it will be used, as is the case with the Hansard. That it is probably a secondary concern of mine.

I see it much more from the other aspect, where somebody who is interested in a particular debate can turn on the television and get it. That is where I am coming from, but I realize other people will come at it from a different point of view.

Therefore, my personal preference would be to get into the recommendations, deal with them, and talk them over, and I think we will see the philosophy come forward as we go through each of the recommendations.

I also think--and you alluded to it in your comments--that where perhaps the federal system has failed more than anything else and has grown topsy-turvy and without direction, it would be important for this committee to review these guidelines in a very short period after we actually get the service in place--maybe six months, eight months, a year or whatever after the service is in place--and we see how the rules we develop are taking shape, and maybe on a yearly basis thereafter, because the control and direction that will have to be given to the director or whatever we call the person in charge will be extremely important.

My preference would be to get along and look at the specific questions and then we can include in those particular discussions our philosophical point of view.

Mr. Chairman: Is there any feeling in the committee that we should attempt to write these guidelines into the standing orders?

Mr. McClellan: No.

Mr. McCaffrey: No.

Mr. McClellan: If you got anything in the standing orders, you cannot get it changed.

Mr. Chairman: The obstacle that I would see towards putting them in the standing orders is that it is difficult to change them. That is the first major problem.

Mr. McClellan: It takes 15 years to make a change.

Mr. Chairman: Fifteen years, 20 years, two or three governments.

The other thing is that if you put them in the standing orders, I think you would be inviting silly arguments about whether the television camera is in violation of standing order 36c or something and then the Speaker would have to make a ruling. It does not seem to me to be something that lends itself to that.

We are in agreement that we will not go that route, that these will be guidelines for the use of the staff. When we were in Regina, I sensed a consensus that you liked the idea that some committee of the Legislature would have this on its agenda and it would stay there so that if there were problems, you could at least go to a committee of the Legislature and have your arguments there as opposed to the federal approach where there seems to be no one quite in control.

Mr. McClellan: The matter could stand referred to a particular committee, perhaps even this one, and then complaints or concerns could be referred on a standing basis to the same committee.

Mr. Newman: We have seen two systems and we have been extremely impressed by one of them, not that the other was not good. It was essentially a matter of economics. We are trying to derive a conclusion just by viewing those two and we are jumping to one looking for perfection. We are going to have to walk through this and develop the guidelines as we go along. I do not think we can just set them immediately. I think we can set certain types of guidelines, but not to assume by seeing two systems we have the answer to the electronic Hansard.

Mr. Chairman: That is an important point, although I think it is our job to strike a mark out there that might be used as the initial guideline. I think there is going to be a need to make sure it is not a static thing because I do not think we could sit down now and decide what the ultimate rules will be.

Mr. Bossy: Just to follow a little on that, the thing I would be afraid of is that unless we come up with fairly specific guidelines, we would start the television process here in the Legislature with the perception that everything goes. That is the danger. I think we should be firm in establishing what we do not want. Fine, we talked about putting in what we want, but we do not want to have the House become a place where we are going to have real scenes put on for the sake of television, and that can be by all parties, or in the galleries. We have to very much guard against that. Political parties have been known to put on a little demonstration too. I do not think it should take part in the House.

Mr. Chairman: This all comes as a great shock to me.

Mr. Bossy: I did not think it would be. I like that sentence that says, "The cameras should not dramatize or editorialize in any way." I feel very strongly about that subject.

Mr. Warner: I would like to make it a bit more specific. I would like to see us recommend in our report specific guidelines, that they be referred to a communications committee that would regularly review them and would also invite comment from the media with respect to the operation after this has been moving along, so that it is available to individual members of the assembly, to the media and I dare say to any members of the public who might have constructive suggestions about the television operation. Those guidelines should be publicly available and within the structure of a specific committee. It can be a small committee, obviously, with balanced representation.

Mr. Bossy: This committee is known as procedural affairs, so I think it falls right within its realm. We are looking at procedural affairs within the Legislature.

Mr. Chairman: I would think an existing standing committee is the place for it to be. I do not think there is a need to set up any new committees to handle this, because I would not see it as a year-round job. I think it is one thing you would do. The criterion would be that you would be available.

Mr. Treleaven: My apologies for coming in during the middle of your opening statement. In that opening statement, realizing the realities of May 1985, was it established that we were going ahead with television in the House in some form, or electronic Hansard?

2:50 p.m.

Mr. Chairman: To be clear about it, this committee has been directed to lay out the guidelines whereby the proceedings of the House will be televised. We are not discussing whether we will or we will not. We are not discussing whether we will or will not; we are discussing how we will do it.

Mr. Treleaven: May I get on the record that the daily in my riding believes television should not be in the House because it would bore the people of Ontario even more than reruns of Gilligan's Island?

Mr. Chairman: is that a complaint from Woodstock about being boring?

Mr. Treleaven: No comment.

Mr. Chairman: David raised a point in his comments that we have to talk about a little. How concerned are we that the proceedings be--how should I phrase this?--of use to networks, of interest to the world at large, entertaining or whatever? I would think we should not be very concerned. We would certainly not do things that would inconvenience a television station or provide it with a feed that was useless; we would be mindful of that.

However, I do not think our prime purpose is to provide footage it can use on the six o'clock news. The prime purpose is to televise the proceedings in the same manner a municipal council meeting is televised now. Those who are interested in the proceedings of the House can tune in and watch it.

There will be occasions when someone in Thunder Bay will be very interested in the passage of a particular bill and may not want to cough up the air fare and the hotel bill to stay here and watch it, but would be interested enough to watch it at home. For example, the standing committee on social development now has a bill that is of considerable interest to a lot of people. I have a number of constituents who are watching the proceedings on a day-to-day basis. Perhaps we should address ourselves to just how far we would go in listening to a television station that might have some comments to make on how the proceedings are televised.

Mr. McClellan: One piece of advice we picked up in Ottawa that was useful was to make sure that whatever system we set up provides programming of broadcast quality. That immediately rules out certain approaches and ensures the stuff is professionally competent and suitable for use on the major networks, should they wish to use it. Having said that, I am not sure we need to go much farther except in terms of the items we have already talked about, that it be accurate, factual and coherent.

Mrs. Marland: Mr. Chairman, what did you mean when you said you are not sure how far we should go in listening to one of the people whose profession it is?

Mr. Chairman: In a technical sense, I think we should listen a lot, as the member for Bellwoods (Mr. McClellan) says, in terms of producing broadcast quality visual material. That should be important. However, in terms of their choosing to use 10 minutes or 20 minutes of a speech, I do not think that is of much concern to us. They should be given a tape of the proceedings of the day and they can use whatever they want of it.

There were some concerns, and you will notice them in the guidelines from Saskatchewan, as to what use people might make of the visual tapes. For example, in Saskatchewan they say in their guidelines that one cannot use them during an election campaign. I do not know how one would stop people from doing that. Clearly, from the members' point of view and from the political parties' point of view, it would be considered a no-no to take a speech that was poorly done or not coherent or missed the mark substantially and edit it to a point where one made the Premier look ridiculous, and then run that as part of a television commercial during an election campaign. Under the Saskatchewan guidelines that would be forbidden.

It would be interesting to sample the waters here and see what you think about that. Frankly, I do not know how you would enforce it.

Mrs. Marland: That gets into the area we discussed about obtaining somebody else's speech.

Mr. Chairman: Yes.

Mrs. Marland: Did we not learn that in Ottawa one could obtain it without a person's permission, and in Regina one had to get the permission of the person speaking?

Mr. Chairman: I do not know how one stops it. We can say all we want that Mike Breagh cannot get your tapes, but if we are broadcasting the thing, what is to stop me from taping it at home or going to a station and getting it?

Mrs. Marland: They can.

Mr. Chairman: For practical purposes, you cannot stop people.

Mrs. Marland: As soon as an elected person speaks in the House, he has to be responsible for the fact that he is not speaking in camera, but is speaking in public. Whether their record of speaking in public is in written form or in visual form, which is what we are talking about, those members have to be responsible for what they are saying and how they are saying it. If what they are saying is incorrect, poorly presented, incoherent--a word you just used--if it is any of those things, then I would be inclined to say, "Tough luck." That is the responsibility of that person who chooses to stand and open his mouth in public. They have to be responsible for that. If what they do or say is inappropriate or inaccurate, so be it.

Personally, I do not believe there should be any more or less control or restraint on the use of that video material than there is on the written Hansard today. As I understand it, there is no restriction on the use of printed Hansard today. That being so, whether in or out of an election campaign, if that is public material in a written Hansard, then an electronic Hansard also must be public material.

Mr. Chairman: Is there general concurrence around that point? I frankly do not see how you would do anything else. You could say we have a gentlemen's agreement, to use an old-fashioned phrase, not to do this, but once it becomes a matter of public record and it is broadcast, I do not see how we could then enforce some kind of rule to say it cannot be used even though it was said and it was broadcast.

I think we all have shared at least a moment or two when we would rather not have said something but have said it and it is a matter of written record. It is in Hansard. Sometimes reporters even write down these things. You can get into all kinds of trouble with that.

So we are generally in agreement that we will leave that part of it alone. When it is broadcast it is in essence a public document as the written Hansard would be.

Would it be helpful to try to put together a definition of what we would think or know as an electronic Hansard? Or, as Mr. Sterling suggests, would we be better off to try to go through these guidelines and at the end perhaps come to a conclusion? What is your preference on that?

Mrs. Marland: Let us go through the guidelines first.

Mr. Chairman: Okay, let me suggest we go through these

guidelines from Saskatchewan. The only comments I would make would be to reiterate the comments I made in Regina. I would prefer that guidelines here be positive in nature. I do not think there is a need to be prohibitive of anything. We would be better off to try to state what we as members are trying to do here and be positive when we do that.

Mr. Mancini: I have one question before we proceed. Was the electronic Hansard in Saskatchewan put in place before the defeat of the Blakeney government or after?

Mr. Chairman: I believe it was in the transition period. It was designed and approved and I think bought but not in place until after the government had fallen.

Mr. Mancini: It was not in place until after the election took place?

Mr. Chairman: I do not think they had the equipment going until after.

Mr. Mancini: But the old government was implementing a system?

Mr. Chairman: Yes. It came in in a split term. I believe under Blakeney's government all the approvals were done and under Devine's government broadcasting actually began.

Mr. Warner: They put in a cable system which they did not have.

Mr. Chairman: You may recall they had difficulty there in that Saskatchewan did not have a large system of cable companies so they had to wait until that installation was complete.

I take it in the first guideline, for example, we are talking about gavel-to-gavel coverage?

Mr. McClellan: We had various discussions last week about setting aside at least one committee room, presumably this one. This might be the point to include that recommendation--I am sorry, I keep thinking I am in the Amethyst room. Where am I, Mr. Chairman?--so that we have gavel-to-gavel coverage of the proceedings, including proceedings in committee of the whole House and at least one of the committees of the House.

3 p.m.

Mr. Chairman: Let us hear some comment about that.

Mr. Treleaven: Like Ross, it takes me quite a while to catch up. You are asking if we want to start with a basic precept of what we are talking about when we talk about an instant Hansard. Backing up a little, I would almost like to say yes.

I would like to define it and say it is a television proceeding in the Legislature and one committee room, that it is automatic and gavel to gavel and that it is used in the same way

as an extension to the microphone. The camera is an extension of the microphone, no more, no less. It is automatic. Most of the cameras are automatic, subject to a little bit of manual work to take shots that automatics cannot do, but basically it is an automatic system. I would like to define it at least that far and build from there, if you wish.

Mr. Chairman: The clerk has made a good suggestion to me. If we cease to use the words "electronic Hansard," which I think is part of what the federal people--

Mr. Treleaven: Because our instructions say "television in the House."

Mr. Chairman: Yes. If we use as a reference point that we are interested in televising the proceedings, that broadens it just a touch, even though it might be a system which is activated by the microphone and camera coverage is automatically dictated by that. I believe we are interested in providing a coherent television coverage of proceedings in the House and in committee and that it should be just broad enough so that when people watch the proceedings of the Ontario Legislature, if there is an awkward pause here, a little crawl will come along the bottom to explain to the television audience exactly what is happening, that something has been referred to a committee or it will give the name of the bill.

I thought Saskatchewan did a better job at that than the federal House, just providing information to people as to what is being covered at the moment.

Mr. Sterling: I would like to see the facility available in the Amethyst room, but I would not like it to be automatic in that everything is covered in there because some of it, quite frankly, is just boring. I am concerned about cost as well with respect to what we are doing.

I would like a sort of agreement of the House leaders or two of the House leaders, or whatever you want, to say what goes on in there. The other thing is that we would have two television proceedings in a lot of cases going on at the same time. I do not know what that involves in terms of distribution and whether that complicates that situation as well.

Mr. Chairman: Yes. There are some technical problems with it.

Ross, are you of a mind that what you want is the capacity to televise as opposed to the mandatory televising of every committee that goes on?

Mr. McClellan: No.

Mr. Chairman: I think we are in general agreement, just from my discussions with people, that we would like to see coverage of the House. That is the first thing. Then we had some discussion that there was a need to have back-up cameras available anyway and a committee room where the lighting is sufficient.

We always get into this argument about whether the lighting is sufficient, but I know that downstairs in room 151 right now, they are televising the proceedings every single day. I am not very open to arguments about not enough light.

Mr. Treleaven: Just as a fundamental, I started out by talking about automatics because I am going to look at these whole proceedings, the recommendations and discussions, differently. If we are talking basically about an automatic system like Saskatchewan's that clicks in within two minutes and we do not need very many operators, or a mass such as Ottawa has with operators all over the place, then we are talking about a tremendous difference in the number of dollars between the two. I am looking at this entire subject and I am going to treat it differently depending on whether we are talking about automatic or manual.

Mr. Chairman: At the beginning we tried to reiterate what I thought was a consensus in the committee that the Saskatchewan system was our preferred choice, that it was a cleaner, simpler, better system from the members' point of view. It is also cheaper, but that is not our prime responsibility here.

In discussing television coverage, we are talking about coverage of the assembly and all of its proceedings and the potential to have one committee room equipped to provide that. Then, as Mr. Mancini points out, by agreement of the House leaders or some mechanism like that--and maybe we should go into that a little bit too--

Mr. McCaffrey: I have two things. I feel very strongly that a committee room, ideally the Amethyst room, should be equipped to facilitate the kind of transmission we are talking about implementing in the assembly at the outset. I like the idea that whatever committees will be covered in that room, if any, will be decided by the House leaders.

I wonder if I could make a suggestion here just to try to see if this will speed us up. Looking at the guidelines there, I think we might accomplish a couple of things if we ourselves started with their point 11, the overall philosophy, and next went to their point 10, the guidelines. We are going to get a lot of this stuff out of the way, and then we could go a little bit more quickly to proceed with gavel to gavel, etc.

Mr. Chairman: We would begin then by saying something such as the guidelines will be enforced by Mr. Speaker. Specific complaints by members regarding the televising of the proceedings of the Legislative Assembly should be raised with Mr. Speaker in the Speaker's chambers. Are you in agreement with that?

Mrs. Marland: On that point, that may well be one avenue where concern and complaints could be dealt with. However, I did think last week when we discussed the establishment of a members' committee, or at least assigned an existing committee to be responsible for this, that this might also be an avenue where concerns and complaints might be funnelled. It may be that a complaint may be quite legitimate, but it may not be in the

opinion of the Speaker, and that would then be the end of an avenue of recourse for the members who are having difficulty with the technique or the procedures.

I still think the committee that is going to be responsible, whatever it be--did we say members' services? I have forgotten--

Mr. Chairman: Or this one.

Mrs. Marland: I think that should be added in there. That complaints by members regarding the televising of the proceedings should be raised with the Speaker is fine, but--

Mr. Chairman: I believe this is also meant to encourage people not to raise them as points of order or points of privilege in the chamber, but rather to visit the Speaker in his office and have a discussion there.

Mrs. Marland: Oh, I see.

Mr. Chairman: For the most part, this will be things such as if there was a light that was particularly obnoxious and you thought perhaps the world would not end if it were moved or adjusted somewhat..

Mrs. Marland: All right. That is why it says in the Speaker's chamber.

Mr. Chairman: I would read this to mean that if you thought something was amiss here, you would go to the Speaker's office and have a little discussion. I do not know what that would be about, but that is your first recourse. If it can be resolved there, fine. Second, if you had some larger problem, it would be referred to procedural affairs or members' services. We might as well pick one. What is your pleasure?

Mrs. Marland: Is this standing committee on communications supposed to be a new committee?

Mr. Chairman: That is a committee which they set up to deal with this.

Mrs. Marland: That is theirs?

Mr. Chairman: Yes.

Mrs. Marland: I think it should be this committee.

Mr. Chairman: I would think we might want to put a line or two in our recommendations which said that these guidelines stand referred to a committee, so there is no hassle about whether the committee has jurisdiction or not. What we would be doing is saying: "If you have a problem, go see the Speaker in his office. Do not raise it on the floor of the assembly. If it is not resolved there or if it is a somewhat larger problem, all of these guidelines stand automatically referred to the procedural affairs committee. It is on its agenda, so you can attend that committee or write a note saying what your problem is and that you would like the committee to deal with it."

Mr. Warner: I would like to see a line or two put in there which simply indicates that the committee or the Legislature also invites comments from the media and the general public with respect to the coverage it is providing. After six months or a year of providing television coverage, if the good people of Ontario feel there are some useful comments they would like to make or the media feel there are some useful comments it would like to make, they know they are welcome to do that.

3:10 p.m.

Mr. Mancini: I do not find anything wrong with that, but we must realize where we have been and where we are going. Where we have been is that past governments have not been interested in showing the proceedings of the House. The present government is very interested in opening up the system and having the people of Ontario watch the proceedings.

I want to reiterate that we as members are going to make the decision with the advice and support of our caucus colleagues and with the advice of Mr. Speaker, because in some way or another he is going to ultimately be in charge. I am not in favour of holding a hearing every six months and listening to briefs from interested individuals who are going to tell us: "Now it is time to split-screen. Now it is time"--

Mr. McCaffrey: You have to damn well decide how open it is going to be.

Mr. Warner: I did not say that.

Mr. Mancini: Just to refer to the unfortunate comment that was made behind me--

Mr. McCaffrey: You had better be careful or you will get public input.

Mr. Mancini: That is fine. We believe in public input; that is why this committee is working. I am assuming you people represent the public in one way or another, and I am assuming you have been disappointed that you have not been able to represent them better in the past.

Mr. Chairman: I wish you would not address the chair in such negative tones.

Mr. Mancini: We have no objection to television; the objection was prior to May 2. We are not interested in creating a new series of television programs. We are interested in covering the proceedings. I want to make that clear. If we are going to get bogged down as to how we initiate a way to make the proceedings more exciting, we are going to get bogged down an awful lot.

Mr. Chairman: I do not think that was the point. I am not sure it should be written here. Perhaps we should make mention in the text of the committee's report that if there are problems of whatever kind, and they more likely would be technical in nature than about the cost of programs, some committee of the Legislature should be the touchpoint.

I am not sure we want to get into what is broadcast-quality tape or anything like that, but if we were televising the proceedings and the quality was such no one could use it, we would want to address ourselves to the problem. If some television station wrote in and said, "We would like to offer some coverage of your proceedings, but we cannot use the tape on air," we would want to take some steps about that. However, I do not think we would put it in the guidelines.

Mr. Mancini: I understand what you are saying. There is no problem in accepting what you are saying. The member for Scarborough-Ellesmere (Mr. Warner) seems to be saying something different. I just want to get that clarified.

Mr. Chairman: He is shaking his head, so I do not think he is.

Mr. Warner: Do not get carried away. All I suggested was we indicate in our report that we would welcome a representation from any member of the general public or of the media if he feels inclined to make one. I am not suggesting public hearings. I am not suggesting touring the province. I am simply saying that as this thing goes into operation, a television network might have a constructive suggestion as to how we can improve what we are doing.

Mr. Chairman: However, you are suggesting that goes into the text of the report, not into the guidelines.

Mr. Warner: I am just saying that in a section of the report we should indicate we welcome--

Mr. Mancini: I am glad the member is being more specific. It comes across a little differently now from the way it did earlier on.

Mr. Bossy: We have to keep our report different from the guidelines. This is what he is trying to explain right now.

Mr. Chairman: It would be worth mentioning in the report. For example, if people were watching the proceedings and were not able to follow them, they might have suggestions as to what kind of little crawls one could put across the bottom to explain the process a little better. Maybe we should mention that in the text.

Mrs. Marland: I want to support what the member for Scarborough-Ellesmere is saying. It was unfortunate the member for Essex South (Mr. Mancini) could not be with us last week.

Mr. Mancini: I should tell the member, who was late for this committee hearing, that I visited Ottawa twice and I visited Quebec a couple of times--

Mr. Treleaven: We want Robinson and Polsinelli back.

Mr. Mancini: I am very familiar with legislative recordings across the country.

Mrs. Marland: That is fine, but that is not what I wanted to say.

Mr. Mancini: It seemed that way.

Mrs. Marland: I wanted to say I was sorry. What is unfortunate is your tone about what you are hearing and what you are saying. First, if you would like me to apologize for being late for this meeting, I am happy to do that.

Mr. Mancini: No, but--

Mrs. Marland: I think I have the floor.

Mr. Mancini: You referred directly to someone else's attendance. When you do that, they have to refer to yours.

Mrs. Marland: No, they do not; not if they are gentlemen, they do not.

Mr. Mancini: There are reasons for people to be in certain places at different times.

Mrs. Marland: Of course there are.

Mr. Mancini: Absolutely.

Mrs. Marland: In referring to the fact that I was sorry you were not able to be with us last week, I did not expect you to say, "Ha, but you were late." That is fine; that is your choice.

What I wanted to say was that you may have been to Ottawa and Regina, and you may have been around the world looking at these kinds of installations, but what you did not benefit from last week and what David is trying to express is that during our discussions together last week, not once in the whole week was there a partisan comment.

It was interesting for me because it was my first experience in a tripartite committee. I thoroughly enjoyed the fact that we were all very sophisticated as a committee, and not once during the whole of last week did I hear a partisan comment. So I regret yours today.

Mr. Mancini: I regret yours.

Mrs. Marland: Okay. To get to the essence of what Mr. Warner was saying, the point is that in our informal discussions and very often in committee, as I am sure you would agree, Mr. Chairman, the best discussion comes in the informal setting because nobody is performing for anybody else. We are just expressing what we have gathered as a group. I thought last week was very successful in doing that.

One of the things we gathered was exactly the point David has elaborated on; that is, none of us is a professional, nor did we pretend to be, either in technique, in television production or even in the long-term kind of program control that would be needed

with electronic Hansard. We went away very keen to observe and learn, and for that purpose it was very beneficial.

We would be rather remiss if we did not have in the text of the report, which is what is being suggested here, a notation to the effect that we realize it is not until this program is ongoing that we will see some things ourselves that need improving and may need a modification to the guideline itself. We may see some things ourselves but not see the remedy for them. What Mr. Warner is suggesting is that the remedy, that very simple suggestion, may come from the industry or it may well come from a group of residents, an individual resident, the public.

It is perfectly true we represent the public, and my goodness, I hope that in representing the public, we are always listening to them. That is what you are suggesting we do, and I support that suggestion in the body of the report.

Mr. Mancini: I do not disagree with Mr. Warner. I just do not want the impression left that every few months we are going to--

Mr. Chairman: Nobody is leaving that impression.

Mr. Mancini: That is fine. That is good.

Mr. Chairman: Can we move on to the next one? I think this is coming close to a definition of what we are trying to do here. I rather like the first part of it as expressing that we are looking for an accurate and factual record. I am not sure we need lines like the last line where it says, "The cameras should not dramatize or editorialize in any way." I do not see how that serves much purpose.

In other words, I would rather see us make a guideline that states we are trying to keep an accurate record; so whatever can be done to help people understand, to provide a complete version in video form, is the mark we are shooting for.

I did listen to the guy in Ottawa, Ivan Barclay, talk a bit about how cameras can make people look powerful and all that. I am afraid I am not an advocate of that school of thought. Cameras have a tendency to show what is there. Although there is a bit of distortion in the television camera, there is not much; so I do not know if we need to provide any dramatic instructions to people who are running television cameras about what shots they can shoot.

Mr. McCaffrey: I share your view about that last sentence. If it is to be used at all, it might be used more appropriately when we talk about the applause shots and/or split-screen shots, that being the dramatization or editorializing. I do not think it belongs in the section we are talking about now.

I am wondering if the statement we are trying to make might be improved by two things. One would be if the words "broadcast quality" were somehow included along with "accurate and factual." Also, I wonder if the tone and the intent might be improved if we just said they are showing the business of the assembly.

Mr. Warner: What was that?

Mr. McCaffrey: What if we just said the overall philosophy behind the guideline is that the audio and video production should be as accurate and factual as possible, maintaining broadcast quality in showing the business of the assembly, period.

3:20 p.m.

Mr. Chairman: I rather like that approach to it. So as a draft, we will talk about "broadcast quality" or words that should be in there and we are interested in--

Mrs. Marland: I would also give scope, if necessary, for leaving the member who is speaking and the Speaker sometimes.

Mr. McClellan: Bruce anticipated most of what I wanted to say in terms of taking out the last sentence and adding "broadcast quality." His language is very helpful.

The only thing I would like to see added to this section is some reference to coherence or understandability so that it is clear.

Mr. Chairman: Can you find an English word for that?

Mr. McClellan: No, I cannot. If I could, I would. My next sentence was going to ask if perhaps the clerk could find an English word.

Mr. Chairman: Find a word in English or French that says what Mr. McClellan just said.

Mr. Bossy: The words "broadcast quality" scare me a little bit. According to whose standards?

Mr. Chairman: We do not need to go into this in great detail, but we are not talking about amateur night. For example, the size of the tape is one thing, and the quality of lighting is another thing; sound production and reproduction are included.

Mr. Bossy: That is pretty well accepted that we would not want to be--

Mr. Chairman: The truth is that you can broadcast anything. The amateur photographer who gets a picture of a policeman being shot or an airplane going down will broadcast it if that is the only tape in the world that is there. However, we are talking about a technical standard. It only makes sense, if you are buying new equipment, to buy to a standard that is generally regarded as being of broadcast quality.

Mr. Bossy: There used to be a difference in that way. However, it would still be under our jurisdiction; so we would not get complaints every other day that our broadcast quality is not good enough.

Mr. Mancini: I do not see anything wrong with keeping that phrase in our report that the cameras should not dramatize or editorialize in any way.

Mr. Chairman: Cameras have a tendency not to do that. I have never seen a camera yet that editorialized.

Mr. Morin: It depends who holds the camera.

Mr. Chairman: Let us have a little discussion about that.

Mr. Mancini: As I said earlier, our basic goal is to accurately report exactly what is going on in some kind of factual way. We have all agreed on that. But I would like to leave the editorializing to the people who have the responsibility to editorialize, and they are the news media.

Mr. Chairman: So would I. That is why I do not think this is an appropriate sentence in here.

Mr. Mancini: I do not think it is harmful to reinforce that.

Mr. Bossy: It is indicating that it should not be.

Mr. Chairman: If I may be so bold as to intervene here, this sentence is incoherent. A television camera does not editorialize and does not dramatize. The person who is using that camera has the capacity to perhaps do some of that.

For example, if I were making an argument, I would say where you sit in the House has a lot to do with whether you get a good camera angle and whether the lighting makes you look good or bad. You may want to say something about that. But what kind of camera is up there is irrelevant to me as long as it does the job. I would prefer not to get into this. If the committee wants to, fine; let me hear it.

Mr. Mancini: Speaking from my perspective, I do not find that line in any way objectionable. We are not talking about the camera as a machine. We are talking about the operation of the camera. That is very clear. I want it to be made known to the operator of the camera that it is not his or her responsibility to try to dramatize; it is to record.

Mr. Chairman: Then I would prefer to say the responsibility is to record the proceedings, which we said in the previous sentence.

Mr. Mancini: I do not find that line objectionable and I prefer that it stay in.

Mr. Chairman: We are getting near to having a vote here. Do you want to take a look at it? Do you feel strongly enough that you want it in?

Mr. McCaffrey: If the Premier's parliamentary assistant wants a vote, let him have a vote.

Mr. Morin: We are talking again about a technicality. If you give me a camera and ask me to take a picture and then you give a camera to a professional and you compare both pictures, you will see what a professional can do with a camera. That is exactly what this phrase says. It does not hurt anyone. Let us leave it in.

Mr. Chairman: I am hearing mixed messages from my committee. I want to get a consensus if I can. If I cannot, I am going to go to a vote; so let us talk a little bit more.

I suggest that a cameraman from the CBC crawling around here could do a lot with his camera to make somebody look good or bad or whatever, but a fixed television camera operated by a computer would have a tough time doing that.

Mr. Morin: You can zoom in with a camera or take a picture at a distance. You can do anything with a camera.

Mr. Bossy: The computer just brings in the person. From there on, there are controllers sitting back there. I have seen what has been done by the cameramen in the House of Commons in Ottawa. That is why we asked for these shots. They can make you look sick as can be, and not realize this has happened. You should see when they put together all the different shots of what has happened in the House over a month; you would be surprised.

Mr. Chairman: I am not getting any closer to the consensus I need here.

Mr. Morin: The zooming in is what worries me. They can zoom in on a minister and use a long shot on an ordinary member. They can do anything so one person appears much better than another person.

Mr. Sterling: I would like to have this in as positive a frame of mind as we can so it expresses the desire that it is the Speaker and members who are to be televised.

If I sit in the House, I can see what goes on from one end of the Legislature to the other. If most of the cameras are automatic and all we have to worry about is them zooming in and out, I do not think it is a big problem. If we have a problem of dramatizing--there is the odd case where the cameras now do that by showing a number of empty seats when a member gets up to speak, or whatever--I do not see that as a problem. If that happens, somebody will go to the Speaker and complain about that kind of thing, and the Speaker and the guy or girl who is running this outfit will have to answer.

Basically, we should be trying to present the same picture to somebody who cannot sit in the chamber as is seen by someone sitting in the chamber. I do not see any reason to put that negative sentence in there.

Mr. Warner: Let me try a different approach. I would like to see us drop the sentence "The camera should not dramatize or editorialize in any way" in the section that speaks to the

overall philosophy. I agree with what Norm says, that what you want is a positive approach to what we are doing.

Second, think for a moment about the rest of the guidelines without that statement in there. Gary Ward is the person in charge of the operation we saw in Regina. There are enough boundaries placed on his operation, for starters, that the statement is redundant. He knows exactly what he is supposed to do. He also knows what he is not supposed to do. He goes about his job; as far as I could see from the tapes we watched, he does a good job. Witness the fact that after it had been in for three years, they had virtually no complaints from members of the House. He knew what he had to do. You did not have to stamp on his forehead, "The cameras shall not dramatize or editorialize in any way." He knew what he was supposed to do.

I humbly suggest any good television professional knows precisely what he is supposed to do, given the general parameters of the operation. It is not necessary, and it gives a more negative tone to what we are trying to do. I would like to see us put forward a very positive set of guidelines. We want 125 members to accept the guidelines and the general operation. To do that, it helps if you are positive with the other members as to what we are looking for.

Mr. Morin: May I make a suggestion? Before arriving at a decision to write this guideline, they must have had some reasons for it. We have no experience whatsoever. Why not ask them why they included this stipulation?

3:30 p.m.

Mr. Chairman: Perhaps I could correct that. Before they began televising their own proceedings, no television cameras were allowed in the chamber at all. They had no experience with television cameras in the chamber, whereas we have had television cameras in the chamber for some years. We have more experience of being exposed to television cameras than they did when they devised the guidelines.

Mr. Morin: They had visited others.

Mr. Chairman: They had visited other jurisdictions. I would prefer to see a test period so the members can see the finished product for a while before we start saying, "Do not do this" or "Do not do that." My preference would be that the guidelines be general in nature, but positive. If we go through a testing process whereby we see--maybe Mr. Mancini does not have a good camera angle, so he might say to the committee, "If you adjust it, I would look just as good on television as Dave Cooke."

That raises a practical point. If the chamber stays the way it is now, somebody such as David Cooke who sits at the extreme end of the chamber will have some difficulty. I suggest there would be others. For example, in Saskatchewan someone sitting in the second row has better lighting on his face than someone

sitting in the first row. There may be some adjustments such as that.

Mr. McClellan: Let me give you a concrete example. When I spoke earlier, I said I thought the attitude in Ottawa was very precious. For example, somebody complained because during question period there was an accidental shot of the reaction of the member who had asked the question. Instead of the usual stultifying procedure of showing the head shot of the man or woman who asked the question, with an immediate switch to the minister answering the question, accidentally one of the stations got a one-second frame and inserted it into the video it carried on the newscast.

It showed the question, the answer and a reaction shot so that what was going on was clear to the people watching. Half the time, it is not clear what is going on. You have somebody jumping up and then somebody else jumping up and there is no explanation. It is not clear that one is on one side of the House and the other is on the other side of the House. That is not clear to somebody watching for the first time.

Mr. Sterling: The worst part was it was a phoney reaction shot they picked out of the library; it was not his or her real reaction.

Mr. McClellan: The reason I am going through this is that the argument used in Ottawa for this procedure, which simply serves to prevent people from understanding what is going on in the House of Commons, is that the cameras are not allowed to dramatize or editorialize. That is the kind of thing they talk about in Ottawa. You cannot show a shot of the whole House with one guy standing up and asking a question so that it is clear he is on one side and the government is on the other side. You cannot take that kind of shot in Ottawa.

Second, you cannot show any kind of back-and-forth between the questioner and the one who is answering. The camera cannot switch back to the questioner and indicate to the viewers the minister is answering, through the chair, a member who asked a question. You cannot do that either. That is dramatizing. Most of us who are expressing a desire to have that eliminated want it eliminated for purposes of--my word again--understandability so that the proceedings are understandable to the viewing public without a lot of precious parliamentary nonsense interfering with it.

I do not see any problem. If I ask a question of the Minister of Housing, it would be fine if the camera panned back to my side of the House briefly while he was answering, to indicate he is answering a question asked by the opposition side. It would be fine if the camera panned to somebody else briefly if it would help--this is the criterion--to make the thing understandable to people so they do not have to have a degree in parliamentary procedure to watch the bloody parliamentary channel.

Mr. Mancini: I do not think we are interested in that either but very early on in our discussions we talked about the possibility of someone being ejected from the House. I said we

certainly wanted to make accommodation for things that happen such as that, where the camera is on the Speaker and we are not sure who is leaving, what he is leaving for or of the reaction of that person. At the same time, it is easier to draw up a short list of such things than to leave it to the person behind the camera to decide for himself or herself what is dramatization and what is not. I would like to see stated very clearly that it is not the responsibility of the electronic Hansard to dramatize or to editorialize.

As we go along, after the system is implemented, there will be an opportunity to expand that short list. Situations will occur and members will bring those situations before this committee and we will hope to iron them out in a reasonable way. I cannot see us doing it in any other way because this is a first-time experience for us. We want to do it properly.

If we go back to the written Hansard, there is nothing stated there that, after asking a minister a question, the member for Peanut Corners showed a scowl on his face, or something like that. It is not in the written Hansard that when a member was ejected he slowly left the chamber perhaps wishing he had not done what he did. It shows none of those things. I would just like to be specific.

I do not think we are restricting the concept of showing the people of Ontario what is actually happening by instructing the person responsible for the camera that it is not his responsibility to dramatize or to editorialize.

Mr. Chairman: Let me try to round up something out of this. The reason I was quite happy to let this discussion roll on for a little while is that this is a critical point. When we went to Ottawa, what I would summarize as being the paranoia that people would actually see what is going on in the chamber depressed me somewhat. I thought the purpose of the exercise was to broadcast the proceedings, that is, to let people see what is happening; not quite in the same way as if they sat in the gallery, but similar to that.

We are at a point where we are going to discuss what kind of televising will occur here. I am happy that an ongoing standing committee of the Legislature will be in place to hear complaints from members and anyone else who has something to say about how the proceedings are televised. I would like us not to begin by being very restrictive. It would be crazy to go to the time and bother and expense of putting television cameras in here and then do everything we can to make sure the cameras cannot cover the proceedings.

If we had never seen a television camera in the chamber, maybe we would have a right to be so paranoid, but the cameras have been there for almost a decade. They can do pan shots and zoom shots; watch you reading funny newspapers or do anything they want; they have total freedom up there and, in a decade, I have had no problem. I do not think I have to write down that someone who is running a television camera in the employ of the assembly

is going to do something bad for us. I do not think that is going to happen.

My experience has been that the Hansard people around here, as an example, do everything they can to make you look good. So I do not feel we need begin by being restrictive. We have in place a mechanism whereby, if members feel abused somehow by how the proceedings are going on, they can take it to a committee and say so.

Subsequently, I would like to see a little testing period worked in whereby we could try it on for size to see whether there is a need to do that, but I think it is quite wrong to begin with the assumption that we must be very restrictive and put in comments such as this. We are really deciding what will be the nature of the beast and, frankly, I am opting for the Saskatchewan model here, even though these are their rules.

3:40 p.m.

One of the things I heard Gary Ward and others say is that this kind of thing was not helpful. In fact, it got in the way because it was being interpreted a little too rigidly. I would prefer not to see it in there. Are we close to a consensus on this?

Mr. McCaffrey: I agree.

Mrs. Marland: I agree.

Mr. Mancini: If there is a problem putting in those specific words under this section, I would opt for having those specific words in somewhere else.

Mr. Chairman: I think it would be appropriate to put in the text of the report that we do not want camera operators editorializing. To tell the truth, I fail to see the need, but I have no problem with that. If you want to put in the text of the report that we do not want television operators taking advantage of the members or showing them in an unfavourable light or editorializing in some way, that is fine. I take that for granted.

Mr. Bossy: The report means nothing to the cameraman. It is what the guidelines say that matters.

Mr. Chairman: But it means something to me. I am a member of the assembly. If some cameraman screws up, I will read that report back to him as we dismiss him.

Mr. Bossy: You can do that only after he screws up and it will hurt you, because every time you think the camera might have caught you, you cannot run back there and have a rerun to see if you got caught in something. It is too late when that happens. It is preventive measures. As much as we want to be positive, there still has to be that area of prevention about the liberties that will be taken. I say this because we have given total access to take this right off and it is going out on a channel.

Mr. Chairman: But that is all right there in the chamber today.

Mr. Bossy: I realize, but if the cameras are at liberty, if no one gets up to speak in the House and some little action takes place, that leaves it wide open for that camera to move and cover that action ahead of that speaker.

Mr. Chairman: I would say no--

Mr. Bossy: The liberties--

Mr. Chairman: --when we say that the purpose of televising the proceedings is to cover the business of the Legislature.

Mr. Bossy: That is your interpretation of--

Mr. Chairman: Excuse me, it is not. Proceedings of the House are not conversations in the corner. The proceedings of the House are when the Speaker recognizes you and you stand in place. That is the business.

Mr. Bossy: You indicated you wanted to have similarity to someone sitting in the galleries watching the proceedings of the House, and if we do that, that opens that camera right up to the--

Mr. Chairman: No. I would surely not go that far.

Mr. Bossy: I think we have to keep--

Mr. Chairman: I am searching for direction. We have had consensus discussion for about an hour. Let us get on with this. If someone wants to move motions, move them.

Mr. Morin: One more suggestion. Let us write number 17 to say these guidelines are subject to revision when these occur, words to that effect, that covers it all.

Mr. McClellan: Say that again.

Mr. Morin: These guidelines are subject to revision when these occur, so this way, if we find it is necessary to review it, then we review it.

Mr. Chairman: Fine. No problem with that.

Mr. Mancini: Does that number 17 mean that those words that we are talking about stay and can be removed later?

Mr. Morin: They will be removed. If we are not satisfied after a trial period, nothing prevents us from sitting again and putting them in.

Mr. McClellan: I think that is a very helpful suggestion from Gilles. About number 4, when Mr. Speaker is on his feet the camera facing him shall be the one that will be active.

Another point on number 2 is that only the member who is on his feet and has been recognized shall be recorded by the audio-visual camera. I have not heard anyone say we are taking those out. The camera will be on the person and will stay on the person who has the floor, the person who has been recognized by Mr. Speaker.

We are also saying we do not want the televised proceedings to be, quite bluntly, as unintelligible as the proceedings that are telecast from the House of Commons in Ottawa. We do not want the restriction that the camera shall not dramatize or editorialize in any way because that prevents the kind of ancillary shots that help people to follow what is going on. It could not happen under these guidelines, even with the dramatization thing removed. What Maurice is afraid of could not happen. What will be televised is what is in order, not what is out of order.

Mr. Bossy: What is wrong with leaving that sentence in?

Mr. Chairman: I have a suggestion how to proceed. Maybe we had better get off this point. Gilles had a good point here that we will add an extra one at the end. Can we proceed through this? I do not sense any great agreement here, but there seems to be a bit of confusion.

It is a critical point and I want you to be mindful that when we conclude the report, we will cut one way or the other on this. We are either going to go for a very restrictive type of coverage or we are going to open it up a bit more.

I sense the majority of the committee, quite frankly, is opting for opening up the process. Then if it goes off the tracks, we have a mechanism to bring it back. There are some on the committee who are not opting for that. If you want, we can put it to a vote, but I can sense which way the vote would go.

Mrs. Marland: Do you need a motion to take out "the cameras should not dramatize"? -

Mr. Chairman: I do not think we need to move motions unless I hear a lot of problems.

Mrs. Marland: Are you going to take it out? That is the question.

Mr. Chairman: As far as I am concerned, it is out now, and somebody can put it back in if he or she wants.

Mr. Treleaven: May I re-emphasize something you said earlier? In Regina, when they were drawing these guidelines, and in Ottawa, when they were drawing no written guidelines, were starting from zero television in the House. They were being extra cautious. That is why there are suggestions out there that it is time they revised them. They were starting from zero. We are not starting from zero.

You will recall we kept asking that question of them: What is your experience in the past? We are starting from a situation that is wide open. We have dramatization and editorialization by television cameras in the House now. It is not something we are introducing, as in Regina. They were being ultra-cautious because they were going from zero to this. We are already a long way past that. It minimizes the importance of this sentence to me.

Mr. Chairman: What I am going to suggest is that we go through the remainder of these guidelines. If some people are still unhappy at the end, they will have a chance to move motions and rewrite.

Mr. Mancini: I have one more suggestion.

Mr. Chairman: I am always happy to hear suggestions.

Mr. Mancini: We have 16 specific guidelines that have been presented to the committee.

Mr. Chairman: So far we have talked about three, and I would like to get at the others.

Mr. Mancini: Okay. That is fine. There are 16 specifics. Now we are touching on one particular sentence which we may interpret differently. I am looking for a medium position if it is possible. On page 1, where it says "Television guidelines," etc., would it be possible to have an opening paragraph that in some way stated the philosophy and intent of the electronic Hansard? We could say something such as, "It is the belief of the members of the Legislature that all the proceedings of the House be televised for the viewing public. It is the view that this electronic Hansard is in place to show the factual recordings and not to dramatize or to editorialize," and then go ahead with the 16.

Mr. Chairman: Wonderful. I knew you would come up with a compromise. Yes, exactly, I think that is where it should go.

Mr. Mancini: That is fine.

Interjection: Let us put it in.

Mr. Chairman: Now can we go back and try them in order again.

We have dealt with the first one and we are changing the order somewhat so that 10 or 11 would get put up front and we would have an introduction. We are in agreement that the proceedings will be in the chamber and that we will provide in the guidelines for a committee room to be made available "by agreement" would be the term we would use.

We can go back to the ones on the front page. "Only the member who is on his or her feet and has been recognized by Mr. Speaker shall be recorded by the audio-visual cameras." Are we in agreement on that?

Mrs. Marland: That is right.

Mr. Chairman: The next one, again, is a bit of a restriction. How do members feel about this kind of guideline? We are talking about the use of automatic cameras, so the kind of shot is dictated by the computer. At some point, you have to say we do a single shot of the member which will be a head-and-shoulders shot or, as they say here, "a medium closeup shot."

The only caveat I would put on this is that unless people are talking about going full tilt into makeup, when you get into the closeups you could have a problem. I do not know how you feel about this. Maybe you want to have full-tilt closeups.

Mrs. Marland: I think this wording should be changed to make it a more moderate statement. One of the things that was pointed out to us was that if you are showing head and shoulders and it is somebody who talks with his hands, it looks stupid when the hands are going off the screen. You really need waist up, and maybe lower than the waist if they have long arms.

Mr. Chairman: I am not going to touch that line with an electric prod.

Mrs. Marland: Even the wording "a medium closeup shot of the member who is speaking and those who are seated on either side"--that happens. That is what we found. It did not matter what we saw, if there are people sitting beside that person you still get the people from the waist up. I do not think this needs to be quite as detailed as it is. We should take out "head and shoulders."

Mr. Treleaven: I remember the one about when Devine was on camera and the fellow to his left was missing, so he virtually stepped into his neighbour's seat to address the Speaker. That threw everything off.

We have to allow in our wording here to take the man in and so on and not show half the man. That is what Margaret is saying.

Mr. Chairman: I think that makes sense.

Mr. Warner: One of things that bothered me, particularly with what I saw in Ottawa, and I do not think it was as pronounced in Regina, was that it was very difficult for the audience to determine the total setting. On the screen comes person X. He says something and then, bang, you have person Y. There is no sense that they are opposite each other.

Mrs. Marland: Right.

Mr. Warner: The camera operator was restricted from pulling back and showing a more panoramic view of the proceedings. This rule 3 prevents the operator from doing anything like that, being able to show more than the one person, to be more specific, to be able to show the person who is asking the question and the person to whom the question is directed. That is very restrictive.

Mr. Mancini: It covers it in the next sentence.

Mr. Chairman: The only caveat I would put on you is that I think we are still talking about automated cameras. You will have to give some indication as to what the first shot in the computer will be. It seems logical to me that it would be some kind of a quasi-closeup or whatever.

Mr. Warner: True, but unless I am mistaken the operation in Regina had three automated cameras and two manually operated ones. Right?

Mr. Chairman: Yes.

Mr. Warner: Part of the purpose of that is, first, the member might move from his or her designated spot and therefore you have to be able manually to operate the camera. Second, it allowed them a bit more latitude with respect to trying to get some good shots and to vary the shots.

Take budget night. Obviously, the Treasurer gets up and delivers this terrific long speech--a long speech, not necessarily terrific--for the best part of an hour. You do not want a camera sitting for one entire hour on a person with one shot. As exciting as the budget may be, that is going to be pretty dull and boring television.

Your operator has to have the flexibility to be able to switch to a different kind of shot, show maybe the whole chamber, show something other than having a camera fixed on a person for one hour. Number 3 is too restrictive.

Mr. Chairman: Okay, but what we might say is that the initial shot, for example, is a medium closeup or whatever and then some latitude is allowed after that.

Mr. Warner: If you put "initial shot" in there, that is fine.

Mr. Bossy: Yes, there normally are adjustments. Until you have experienced it, you will see. There are people who speak right off the top of their heads, but most members use notes.

Mr. Chairman: That is forbidden.

Mr. Bossy: I know it is forbidden but--

Mr. Chairman: It is in the rules that you cannot read.

Mr. Bossy: --it is a common practice. Some will have a couple of books sitting this high and have their notes lying up here. I know in Ottawa the cameramen adjust to that. Then they will go mostly to the head and shoulders and they will not show those books. You try to hide them, but this is what they do.

Mr. Chairman: That is editorializing.

Mr. Bossy: They will also go from one camera to another. When you see the adjustment it is not the same camera. When the Minister of Finance gives his report, they will focus more than one camera and will just shoot in from there, which changes the angle on the people who are sitting behind him. These are all the things they do which are at the discretion of the person behind those running the cameras and make for a little bit better television. It really does not change very much the appearance of the person who gets up and is speaking.

These notes are the very thing they adjust to. They did not show us just the ordinary speeches or a first speech, a maiden speech, and all those things that are live. These are the things that also are televised. They adjust accordingly. They will adjust the automatic situation because they showed that they were adjusting for when Devine got up.

Mr. Chairman: We are talking about the initial shot that goes into the computer being some kind of a medium shot. All right, that is what we will say.

How about the next one? "When Mr. Speaker is on his feet, the camera facing him shall be the one which will be active. This overview of the chamber shall be the view shown when Mr. Speaker is on his feet and between close-up shots of the member speaking or during recorded divisions in the chamber." The second sentence seems a little extraneous, but I have no problem with it.

"When in committee of the whole or committee of finance"--and I think we would strike that because we do not have a committee of finance here--"the overall view of the chamber shall be used when the chairman of committees of the whole House is speaking or during a division of the committee." Do we need to change that terminology somewhat?

Clerk of the Committee: We can put either the committees of the whole House, or the committee of the whole House and the committee of supply.

Mr. Chairman: When you see the final draft, there may be a couple of wording changes there.

The next one: "Head-and-shoulder close-ups of Mr. Speaker or the chairman of committee may be taken when he is giving a ruling or calling the House to order."

Mrs. Marland: If it happens to be the chairman of the committee of the whole House, he is not robed, is he?

Mr. Chairman: No, usually not.

Mrs. Marland: Is he usually robed?

Mr. Chairman: Some of the more vain ones have gone out and bought special shirts and things like that.

Mrs. Marland: Okay. I know we heard about the wardrobe.

Mr. Warner: And a white curly wig.

Mrs. Marland: The only reason I say that is if it just goes to the head and shoulders and does not show where he is sitting, it may not be recognized that he is the chairman, if he is not robed. It should be a full shot showing the position of the chairman.

In the committee of the whole House, he is sitting in the Clerk's seat, is he not? It should be more than the head and shoulders because it is showing his position in command as chairman. I think it is going to be easier to recognize.

Mr. Chairman: We resolve our problem by inserting the word "initial" again, saying that is the shot you start off with and afterwards you could allow for the latitude.

Mrs. Marland: Right.

4 p.m.

Mr. Chairman: Now the next one, applause shots. This runs against my sensitivity entirely. "'Applause' shots may be taken; however, a great deal of care must be exercised to ensure that these are in good taste and reflect the decorum of the chamber." I do not know where this decorum is going to come from but--

Mrs. Marland: Mr. Chairman, with respect, the decorum is going to come from where I hope it will come, that our House will soon learn that which Regina learned, that to thump the desks simply is too disruptive to the microphones. Thank goodness Ontario may see the applause replace the other activity.

Mr. Chairman: Demonstrations are not allowed.

Mrs. Marland: Right. Anyway, I feel number 7 should stay as it is because I hope the word "applause" will soon apply. I think it is covered. It is reflecting what is in good taste and also is showing what is going on in the chamber.

Mr. Chairman: So you want a "Charlie the Tuna" rule.

Mrs. Marland: A what?

Mr. Chairman: Charlie the Tuna. They want tunas that taste good, not tunas with good taste. The world has to be educated.

To tell you the truth, I find it particularly obnoxious that you would actually write in that you were going to allow applause shots, first of all assuming there would be applause for whatever reason. The rest of it I really find quite distasteful.

Mr. McCaffrey: Can you help us a bit, Mike?

Mr. Chairman: Decorum in this chamber? I have nothing against the idea that if applause should break out, fine, show the

members applauding. Do we need an admonition that it be done in good taste? I do not know how you applaud in good taste. I am at a loss there. My concern is that if you ever reflected the decorum of this chamber, we would have Mary Brown on our case.

Mr. Mancini: I think I can see several particular situations where this might apply. For example, when a new member is elected, I believe it would be most appropriate to have a panoramic view of the House applauding the new member as he or she takes the appropriate seat.

I know on several occasions when members have returned to the Legislature from a long absence because of illness, there has been spontaneous applause when the member entered the chamber. I think it would be most appropriate to have a general shot of the applause, maybe with a byline saying, "Member So and So returning to the Legislature after an unfortunate illness." There are probably a couple of other situations, but I think we will get used to these as we go along.

Maybe if we have the president of a foreign country or the premier of a neighbouring province or any other province in Canada, possibly when that person is introduced and the camera zooms in on the individual, it may be appropriate then to have a general shot of the House welcoming the person by applause.

I think there are several specific occasions where applause would be in very good taste. I do not think continuously to applaud an individual for a long speech, when most of the remarks are partisan, and continually showing shots of all the applause really help the decorum of the House or help the situation at all.

Mr. Chairman: Maybe I could get us out of this hole by suggesting that we do a little rewrite here. For example, if there is some notable person who appears in the gallery and is introduced by the Speaker, we do a little section that says it is okay to show that person--some kind of general thing that might allow for an applause shot or something like that. It runs against my grain, to tell you the truth.

Out of the Saskatchewan tapes we viewed, for example, one of the things they did point out is that it is clear applause shots are allowed. When the Treasurer gets up and does his speech on budget night, there are 25 mandatory applause occasions. As Gary pointed out, it is a little sickening after a while. You are supposed to take applause shots and members on the government side are applauding duly at the appropriate moment, but it is boring. Maybe we can find a way to reword that.

I agree with Remo that there should be some way to do this. I just do not think this is quite the way I would like to write it down.

Mr. Bossy: We could always put on an applause sign when it is only appropriate to applaud

Mr. Chairman: Put one on each desk. "Applaud now."

Mr. Mancini: Why do we not leave this in for the present time? In our report we could list half a dozen scenarios as to what we would consider appropriate. Then six months down the road, the committee could extend those, reduce those or tighten them up.

Mr. Chairman: I think we will probably do something like that.

Mr. McCaffrey: When we get to the draft, maybe we could just leave out that whole section. There are a number of applause situations that are very legitimate and part of the normal business of the assembly. Remo mentioned four or five of them. We could spend a lot more time on it--and maybe we should--talking about five more good ones and half a dozen bad ones that should be avoided. But I think we would probably be well advised to scratch any reference to that.

Mr. Chairman: Okay, we will rewrite it and have a draft at it.

The next one is about split-screens. This is a very controversial area to get into. I do not know why we would bother putting something like this in here. If a split-screen shot makes it more informative and more clear, for the life of me, I do not know why we would not use it. They do not have the capacity on their board to do a split-screen, by the way, so I do not know why you would write into the guidelines that you cannot use a split-screen, because they cannot produce one. I opt for taking that stuff out.

Mrs. Marland: I support that deletion. It was suggested that the reason you do not do it is you do not show somebody's reaction to what someone else is saying. That is as absurd as trying to protect people from what they have been willing to do. If you are willing to sit there and pull a face or do something else in reaction to someone's speech, it is just the same as if you are speaking. You are responsible. If you want to look stupid, you can look stupid. If you want to look intelligent or interested or disdainful, it is your choice. You are liable for knowing the cameras are there. It is your responsibility.

Mr. Mancini: I do not see any reason why we should not leave the section there. If you are going to do split-screen shots, who is going to decide when it is appropriate to do a split-screen shot? We may get into the rut where only some members for one reason or another are allowed split-screen shots and other members are not. It is going to create a problem in future because I know for certain some members are definitely going to want split-screen shots and they may not be included in some split-screen shots.

We are going to end up with a situation where we are continually going to hear objections from one member or another; I understand this is going to be the appropriate committee for complaints. Someone may say: "Last June 21, I asked a very good question and there was a lot of repartee back and forth and the

guy on the camera did not do a split-screen shot. What is the policy? Do we do split-screen shots or not?"

Maybe we should keep that section and work out an appropriate solution later on. Maybe our caucuses will all agree that on every single occasion we should have a split-screen shot. I know for sure that the member for Scarborough-Ellesmere is not going to be happy if on some of his very important questions he does not get a split-screen shot, but the House leader gets one every time. I think that is going to be a genuine problem for the members.

Mr. Warner: I always figured it was newsworthy events that got top billing anyway.

Mr. Mancini: Who is going to decide that?

Mr. Warner: Did Bruce mention that 42 days is a long time to sit? If we could get to split-screen shots for a minute, I appreciate what Margaret mentioned.

Interjections.

Mr. Warner: I am certainly not going to have inflammatory adjectives.

There are two points to this as far as I am concerned. We have to go back to the basic philosophy of why we are doing this and what this whole little episode is all about. Built into this set of guidelines is the sense that this production is to be as accurate and factual as possible, and that it is to televise the proceedings. If you take that to start with and you know your television director is directing all his or her activities towards making that happen, that it is to be factual and cover the proceedings, there may well be a point during the daily proceedings when a split-screen is in the best interests of portraying that.

4:10 p.m.

Mr. Mancini: Who is going to decide that?

Mr. Warner: Just hang on for a minute. You are automatically assuming split-screen means two individuals. In fact, half the screen may be for print material.

For example, I think back to the last day of the sitting when the Lieutenant Governor came in; it was his last official act as Lieutenant Governor of the province. Can you visualize a split screen where he was on the one side and the other showed the reactive impromptu speech by any one of the three leaders who got up and said something? That would be a nice visual effect, a very moving and emotional type of moment for Mr. Aird. It would be very appropriate.

What you are doing by leaving it in is making it a little more difficult for the television director to do his job to fulfil that mandate of making it accurate and factual as well as reflecting the proceedings. I think we leave it out.

Mr. Bossy: We are looking for real problems by not leaving it in. I say this sincerely because of what I have experienced here already and what goes on in Ottawa. Here, on the last day or the second-last day--I believe it was the last day--you had the Premier and both opposition leaders all hollering at each other at the same time. Do you have a three-way split on that one? How much of this is going to go on? There is the shouting across the floor that goes on. Then the cameraperson has to make a decision. Is he going to catch--

Mr. Chairman: It is not the cameraman, just to correct you. It would not be the cameraman who would make that kind of decision.

Mr. Bossy: Oh.

Mr. Chairman: A camera cannot do a split screen. A camera can only shoot one shot at a time. The split screen comes from the use of more than one camera.

Mr. Bossy: That is exactly what is going to happen. You can have the one focused on the Premier, and then you can have two others focused on the opposition leaders or within the benches, and pick them up but fast. That would create real chaos in television. I say leave it in for our protection, so we will not have to deal with a complaint every other day, as Remo has said.

Mr. Treleaven: Can we change it around to say, "Split-screen shots will be permitted subject to" and then use that other wording, "so long as it is in good taste," etc.? Bring that "good taste" into it.

Mr. Chairman: My preference would be simply not to include it in the guidelines. If there are arguments about whether that is an appropriate way to display the proceedings, I would prefer to hear those on a case-by-case basis. I do not know why you would begin by restricting it in this nature. It does not make much sense to me.

If as Mr. Bossy points out we run into a lot of difficulties with it, then I would be prepared to offer more guidance, but I would not care to preclude it. Not to allow for it seems to me to be kind of silly. You have the technology which may allow you to provide a more factual picture on a television screen. Why would you not use it?

I appreciate that you may be right; there may be occasions when the members feel embarrassed by the use of it. However, I am reminded that in Regina they at least attempted, for example, to do away with all the signal lights on the cameras, so the members are not invited to play to the cameras; the cameras are there to record the proceedings.

Unless people feel strongly about it, I would prefer not to put it in, or to put it in the text where we again try to elaborate on what we mean by televising the proceedings.

Mr. Warner: You could put it in under this split-screen section if you want.

Mr. McClellan: Again, I feel very strongly that it should be part of the director's repertoire.

Mr. Mancini: What is that?

Mr. McClellan: The split-screen shot. I do not want to have a set of guidelines that leaves whoever is the poor director of our system so hog-tied that he is unable to provide an intelligible TV record of what is going on.

What has happened in Ottawa is that virtually everything has been denied the director, except the head-and-shoulders shots of the Speaker and the head- and-shoulders shot of the person who happens to have the floor at the moment. Somehow you have to be able to create an intelligible television show out of that impossible two-shot situation. It simply cannot be done.

Those of us who saw the degree of latitude that exists in Saskatchewan compared with what exists in Ottawa and talked to the people in Saskatchewan have come away with the sense that we should develop a system that is even more flexible than the one in Saskatchewan. That simply means that when you come right down to it, we are going to be hiring a director who we are going to have to trust. We are going to have to trust his or her professional judgement and discretion in the same way we trust the people who clean up our speeches in the Legislature who work for the present Hansard. They even manage to make some of my speeches fit into grammatical syntax, which is no mean feat.

We are going to have to have exactly the same kind of trust with respect to the director of the television Hansard as we do for the written one. I do not think you can develop some kind of syllabus of errors or some kind of Soviet-style guidelines for the director, saying, "You can do this and you cannot do that," because otherwise you end up with the bureaucratic masterpiece that is the Ottawa system where you cannot do anything.

The key points are guidelines 2, 3 and 4, which establish that the person who has the floor will be the subject of the television program. After you have done that, you would have to rely on the professional judgement and good sense of the director of your operation. Especially when you are a layperson, you cannot try to anticipate every conceivable situation.

Mr. Chairman: The consensus I hear coming out of the committee is that this should be taken out of the guidelines and that if mention is made of it on how you would use such a device, you would do so in the text of the report. The consensus I hear is that this should be taken out of the guidelines and that if you are to talk about it at all, it should go into the text of the report where we talk about the general tone of how you would put together this package.

Mr. Bossy: Maybe we should hear, however, on what basis everybody wants it out from their own personal point of view, because the consensus has to be fairly strong here too.

Mr. Chairman: I want to put this to you. You will get a

chance at the time when we finalize the report to move motions, change wording and things like that. I am not precluding that; I am just saying, from what I hear from the group in this room now, that the majority of people are in favour of taking it out of here and putting into text.

Mr. McCaffrey: Right.

Mr. Chairman: If I am wrong, please tell me.

Mr. McClellan: You are not wrong.

Mr. Bossy: We have the wrong impression. Forgive me for saying this again, Mr. Chairman. We go back to guidelines 2, 3 and 4, where we refer to the Speaker, but I have so many times seen the Speaker lose control of the House. By God, then the cameras go wild.

Mr. Chairman: Let us move on to the next one then. They are talking about the editor putting the name of the member and the constituency or the portfolio on the screen.

Mr. Warner: Is there some reason why you cannot add the member's party affiliation?

Mr. Chairman: They do that federally, do they not?

Mr. Warner: No.

Interjection.

Mr. Warner: They did not out west.

Mr. McCaffrey: Yes, I am sure they did it.

Mr. Warner: Did they?

Mr. Chairman: Okay. We suggest that the identification package include "Mike Breugh, MPP for Oshawa, NDP" and things like that.

Mr. Warner: Yes.

Mrs. Marland: That is an interesting point, because we are never identified in the House by party.

Mr. Chairman: Yes, you are, as a matter of fact.

Mrs. Marland: How?

Mr. Chairman: In the seating plan, for example.

Mr. Warner: But not in Hansard. Sorry.

Mr. Chairman: The identification is done in rather strange ways. You are identified in the seating plan, for example, You are occasionally identified. You only speak from your seat, so you are identified in that way. On occasion, you are identified as

minister of this and that assumes you belong to one party or another, or you are identified as Leader of the Opposition or leader of the third party. Sometimes you are identified as leader of the New Democratic Party.

Mr. Warner: In the back of the Hansard.

Mr. Sterling: In the back of the Hansard you are identified.

Mr. Chairman: Yes. In the back of the Hansard the party identifications are there.

Mr. Warner: But not when you speak. Not in the text--

Mr. Chairman: No. You are represented as a member from a riding generally. Frankly, I do not see anything wrong with it. I am not too embarrassed most days that I am a New Democrat; so it would be okay by me to put my name up there with "NDP" on it.

4:20 p.m.

Mr. McCaffrey: I would have some problem with it.

Interjection: Bruce is going to reconsider.

Mr. McCaffrey: Do they have a local option?

Let us have three titles handy, just in case, based on the topic.

Mrs. Marland: That was, however, a serious question on my part. If it is appropriate according to the Speaker of the House, it is agreeable to me. It is similar to your party affiliation not being identified on the ballot.

Interjection.

Mrs. Marland: Most people who vote for me know which party I am with. If there is nothing wrong with it from a legal standpoint, it is a good idea.

Mr. Chairman: Would it be useful under this section to embellish this somewhat? I was impressed with what are known as crawls--those little words that crawl across the bottom of the screen. We could encourage the use of that procedure to explain the proceedings, to give more than just the name.

For the federal House, every 20 minutes they run a little crawl across the bottom of the screen which tells you which bill is before the House at that time or which motion is being debated. I personally would advocate more information of that type being produced and utilized.

We could embellish this section somewhat to indicate that we recommend that more information be made available to people who are watching.

Mr. Sterling: We do not want them to editorialize. Remember the fellows in Regina said there was a problem, that they could not even play music when there was a protracted delay. You see the Legislature; there is no sound; there is nothing on and all they can do is have a little sign. For instance, for a vote, the bells are ringing and all you have is a sign that the vote is there and you have silence for 10 minutes. Therefore, if you are not going to have anybody--

Mr. McClellan: We could have a list of prescribed sounds they could use.

Mr. Sterling: Preserve it, conserve it.

Mr. Chairman: We might embellish somewhat to point out that there are certain times when the proceedings do grind to a halt and that some kind of filler or information package might be prepared that would be suitable to run at that time.

Mr. Sterling: You do not have a format as you have in other things.

Mr. Bossy: Have an orchestra up in the balcony.

Mr. Sterling: I do not mind them having music or something to occupy the sound track.

Mr. Chairman: They could run Tina Turner videos. That would keep everybody's attention. Okay, so we will try to work up that section when we fill it in.

I would like to move to what they are calling guideline 12. We will have to renumber these. The point we are trying to make here is that once the tapes are produced, they are in effect a public record of the proceedings and they may be used. Perhaps that might be as far as we need to go. They have a last sentence here saying the broadcast should be shown with discretion and without any purposeful distortion which, in my view, means you do not distort it on purpose. I do not know how you would distort it otherwise.

Mr. Mancini: I would say you can take out the word "discretion."

Mr. Chairman: Yes, I suggest that last sentence is probably not helpful.

Mr. Mancini: Let us leave the last sentence and take out the word "discretion." What discretion do we need? We are either going to show this to the public or we are not. I can understand "purposeful distortion" but the word "discretion" does not make any sense.

Mr. Chairman: I see heads nodding although it provides an incoherent sentence, in my view. It seems to me that if it is distorted, the person concerned would arrive before the procedural affairs committee or before a judge and he would be suing people and all of that. I do not think it makes any sense for us to imply that somebody will distort it.

Mr. McClellan: I have seen a news broadcast on a nameless station which showed a member asking a question; it was a shot of the Friday of the previous week to a different minister, from file footage. Then it would be edited into the response of the minister in the Legislature of the current day's proceedings. I would say that was purposeful distortion. There is no conceivable means of enforcing that kind of thing.

Mr. Sterling: Why should guideline 12 be in at all? I cannot understand it. Are we dictating to the television stations what they can or cannot put on?

Mr. Chairman: What is useful in this kind of statement is you make clear that when it is produced it is a public record and anybody has free access to it. It has to do with copyright laws more than anything else. It is clear it is a public record of the proceedings and people can use it. A television station would not have to write in to ask permission to use this tape or that tape. You want to make some statement in that regard.

There was the little example quoted by the member for Bellwoods (Mr. McClellan). If somebody saw a distortion such as that and was very unhappy with it, he could come before this committee and say, "Last Friday night this station did this to me." We can handle it in that way. I do not think we can write any rules or guidelines about it.

Mr. Mancini: I do not think it hurts to state our view on it. Some stations, perhaps not in the large urban centres, could show broadcasts that might be six months old, at a date when it would almost seem it was happening yesterday. That is purposeful distortion.

Mr. Chairman: Sure. I do not know why they would do it and, frankly, I do not know what is wrong with it.

Mr. Mancini: It happens; things happen.

Mr. Bossy: It would sometimes happen to discredit someone.

Mr. Chairman: If someone is trying to discredit you, you could go to court to sue him, or you could come before a committee and cry foul or you could raise a point of personal privilege.

Mr. Bossy: We could be getting up on a recorded vote and they could speed the tape up and we would look like God knows what. We have seen some of that.

Mr. Chairman: What are we going to do about it when they do that? That is my point.

Mr. Bossy: If it is put in that they cannot do it--

Mr. Chairman: What are we going to do? Are people going to stand up and say: "CFTO last Friday night showed me in an unfavourable light. I want the standing committee on procedural affairs to discipline them in some way"? I do not see how we do that.

Mr. Sterling: I do not understand why guideline 12 is there. I guess it is an indication by the Saskatchewan Legislature to try to control what is going to happen to the tapes after they are done.

Mr. Chairman: I do not think you can do that.

Mr. Sterling: You cannot do it. It reads that tapes "may be shown by television stations and/or cablecasters live or by means of recording." So what?

Mr. Chairman: You want to make the statement that it is available for use and that people may have use of the tape, just as I am sure the copyright law is quoted on any videotape. You would probably want to make that kind of statement in the guidelines to make it clear. Beyond that point, I am not sure it would serve any useful purpose.

Let us go on to the next one, which deals with members of the assembly or the press gallery association.

Mrs. Marland: When we get down to, "Anyone requesting a copy of the proceedings will receive the service free of charge but it is the responsibility of the member or the press to provide their own audio-videotape," we should clarify who is meant by "anyone" at the beginning of the statement.

The way it goes on to read, that "anyone" is probably a member or the press, but it looks as though anyone can come in off the street and request a copy of the proceedings. That is fine, but it also has to be addressed that anyone, as well as members and the press, has to provide his tape, if that is what we are saying. Or are we going to restrict the access of the general public to those tapes? That is a decision we have to make.

Mr. Chairman: There are two or three fairly substantial points to be considered. One is how you provide the tapes. You need some kind of control mechanism. It is not our intention to produce them for everybody who wants to wander in and get a copy.

As I read this thing, although it is a little awkwardly worded, they are saying there are two ways to go about it. You would do it through a news service, which is the press gallery--and there is a bit of a problem there--or you would go to one of the members and have the member make the request.

4:30 p.m.

This needs to be reworded somewhat. I point out that we are not talking about small amounts of money when we talk about the distribution system. As you may recall, in the Ottawa experience the distribution system got to be fairly expensive and extensive and has been discontinued in certain respects in that the equipment is outdated.

We want to reword this somewhat to make it clear that members have a right to get a copy of the tape. When the press gallery representatives are in tomorrow, we might want to discuss

this a bit with them, but when you say members of the press gallery can get copies of the tape, I point out to you that there are a lot of television stations in the province that are not accredited members of the gallery; so you are putting that kind of restriction on it. They may make arrangements within the gallery to provide them to outlying stations or something.

Mr. Bossy: Did Ivan mention, as I thought he did, that in Ottawa, not in Saskatchewan, the member must give written permission for use of the tape? I did not hear it clearly. As far as I know, for anyone other than the member to get a copy of that tape--

Mr. Chairman: It is automatic. The Speaker, not the member, has to approve the release of the tapes.

Mr. Bossy: The member then would have the control. A member of the public--anyone walking in off the street, as Margaret suggested--could not obtain a copy unless he contacted the member.

Mr. Chairman: No, that is not true. The ridiculous thing is that once you broadcast this, anyone with with a videocassette recorder can record the proceedings. What you are talking about is the quality of the tapes; that is, if you produce a broadcast-quality tape here. In Ottawa, it is my understanding that the Speaker is kind of the ultimate control mechanism there, which is probably an acceptable way to proceed.

Mr. Bossy: That is in-house control.

Mr. Chairman: No, that is for anybody. If Joe Public goes to Ottawa and wants a copy of a tape, the Speaker there could approve that or not approve it. You need a restriction on it because it is not cheap equipment you are talking about here. You may recall Ivan Barclay said they kind of prepare the tapes and leave them outside so the television station, the member or whoever wants it bears the responsibility of picking it up, delivery, its use and all of that.

We want to go into this in a little more depth than is here, because this can be a very costly business.

Mr. McCaffrey: I want to draw everyone's attention to guideline 14, which is something I had not noticed earlier; and that is simply: "Members...can obtain and use copies of other member's speeches if those members give their written permission for such use to Mr. Speaker." That is part and parcel of what we are talking about.

If we just back up a little bit, and I am thinking of Margaret's comments, when you are in public, doing the public's business in the Legislative Assembly and you say something, you have said it, it is done, it is part of the public record.

I had not noticed this before. If I as an MLA in Saskatchewan or as an MPP in Ontario wanted a copy of the Treasurer's budget speech and had to get the Treasurer's written

permission, obviously it is fundamentally wrong. I want a copy of the speech when Monte Kwinter announces booze in the local variety store, and I have every right to get that.

Mr. Chairman: There is a little conflict here between what they are calling 13 and 14. In 13 they are saying there is a control mechanism and how the distribution is done. I understand that; there is an expense involved, it could be awkward and all of that. That is acceptable to me.

The next one, 14, is not acceptable to me. It seems to me we would take their guideline 13 and we would say, "That is the control mechanism; you can get it through a member or you can get it through the press gallery," or you may rearrange the wording there to accommodate television stations that are not accredited members of the gallery, but there are lots of ways to work that.

Guideline 14, it seems to me, is an acceptable process.

Mr. Mancini: I want to add a word here. I cannot see why you need a member's permission to get his speech. If that is the case, then the Treasurer is going to get 80 responses and he does not have time to be sending all these nice letters, saying: "Yes, Bruce, you can have a copy of the speech." With the video equipment that is available today, it is going to be reprinted anyway, and I just think this is actually redundant and it is out of tune with the technology we have today anyway. I have to agree that when you say something you have said it and you are in the public's eye and that is the way it is.

Mr. Chairman: So guideline 13 is in--we might do a little rewriting of that--and 14 is out.

Mr. Sterling: Before you say 13 is in, I do not understand why the members of the Legislature--maybe I do understand a little bit if it is their own tape--why the press gallery association should have any preference or priority over the public with respect to their access to this kind of information.

Mr. Chairman: Yes. That is a different argument.

Mr. Sterling: In timing, I do not mind them having some access in regard to quick response or whatever, but I just think that anyone should have a right to these tapes. It should be within reason maybe, so you do not have somebody coming along and asking for 1,002 tapes and bringing in 1,002 tapes, as long as they provide the tape.

Mr. McCaffrey: And pay for it.

Mr. Chairman: The problems that they ran into in Ottawa, for example, were two or three. One was that physically buying the tapes was expensive. That problem is resolved when you say that if someone comes in here and provides you with a tape, that is it, that problem is resolved.

The second one is that there is a manpower element in

reproducing and, third, there is also an equipment element. If you got heavy demand, for whatever reason, for copies of a particular hit video at the Legislature, there would be some difficulty there. It seems to me that the control mechanism should not be at public expense, but there is an information process that should be made available, and this is probably the way to rewrite the section.

Mr. Sterling: Within reason, would you say that anyone can have a tape, providing he provides the tape and providing that priorities in regard to time are members, press and then general public.

Mr. Chairman: Maybe what we can do when we rewrite this is to make it clear that access to the tapes is for everyone, that a priority would be for those who work with them, that is the members and the gallery, and that finally it is at the individual's expense. They provide the tape and, as we get to it, we will make a copy available.

Mr. Sterling: I wanted it within reason, because I was thinking of somebody who might walk in and say, "Two and a half years ago Mr. X made a speech in the Legislature and I would like to get a copy of it." Or someone might ask for copies of 1,000 tapes during a period of time or whatever. I think, under those circumstances, there might be a consideration that it is going to take a lot of expense to do that for somebody. There might have to be some time restraints on it, etc.

Mr. Marland: What about saying they have to identify them?

Mr. Chairman: There is another thing that we might consider when we finalize the draft of this section. You may recall that in Saskatchewan each of the tapes is time coded, so that if you wanted my speech from 8:10 to 8:20 last night, you could come in and do that. That gets us to talking a little bit about the kind of equipment that is purchased initially. We may want to talk a little bit about how sophisticated you want to get that withdrawal system.

In the federal House now they have a capacity to display on Office Automation Services and Information Systems just about any speech that was ever made. You can say, "I want to hear what Sterling had to say on the separate school funding bill," and within 20 seconds or something they will provide you with that video. So we may speak a little bit about that kind of retrieval system.

How about the next one, which seems to me to be totally inappropriate? This is the verboten clause which forbids you to use the tapes during the course of a Saskatchewan election. I do not know why.

Mr. Warner: Our tapes should not be used during the course of a Saskatchewan election.

Mr. McClellan: I thought we had a consensus to eliminate that.

Mr. Warner: Why are we doing this?

Mr. Chairman: Okay, so that concept is out. The next one talks about depositing the tapes in the provincial archives at the end of a session. Access shall be in accordance with procedures established by the Legislative Assembly, etc.

We could set up a similar guideline for here. I think it is obvious that, whether that be in the legislative library or somewhere else, some reference should be made in the guidelines to the keeping of the tapes.

Mr. Warner: Refresh my memory, but in Saskatchewan you say they kept two copies, one of which went to the end of session for the use of members, and at the end of session those tapes were erased. The other copy went to the archives, for their discretion. I assume that the archives may decide they do not wish these particular tapes, and they can then just erase them and send them back.

Mr. Chairman: No, they now are holding on to them. Gary was pointing out that the keeping of the tapes in the archives was not particularly well done. They were not physically set up to preserve them, and there is deterioration of the tapes.

4:40 p.m.

Mr. McClellan: Could we (inaudible).

Mr. Chairman: That might be a thought.

Mr. Warner: Could we spell out the process to the (inaudible).

Mr. Chairman: We might want to do that. First I want to get some sense from the committee that before we proceed in calling in the archivists and all of that, to see how practical this is, a record of this kind is generally kept in some way. Are you appalled by the idea? Do you want to work on it for a little bit?

Mr. Bossy: These gems should be kept.

Mr. McClellan: I was not aware that you could actually keep a record in the same sense that you can keep a print record, that the lifespan of the tapes was 25 to 30 years and that it was too expensive to transfer them to digital.

Mr. Chairman: Right now it is, but who is to say that five years from now the new technology will not be all in place for a lifetime.

Mr. Sterling: I do not think \$35 a day is that big an expense to do it.

Mr. Chairman: That is our first run through the guidelines. Is there anything else that anyone wants included in guidelines?

Mrs. Marland: Has note been taken of the wording in number 17 that Gilles suggested, "All of the above shall be subject to review and revision if necessary"?

Mr. Chairman: Yes. We will draft one. Is there anything else you want to consider this afternoon?

Mr. McClellan: Let us see what we have got and then I am sure there will be more suggestions.

Mrs. Marland: Did we eliminate number 15? Sorry, we did.

Mr. Sterling: Do we put in the rules or in our report that there is a mandatory review of them in five or six months?

Mr. Chairman: Yes. That will go in the second draft. Is there any other business you want to conduct this afternoon?

Mr. Warner: Just out of curiosity, can I assume the chairman has sent appropriate thank-you notes to the folks in Ottawa and in Saskatchewan for their kind and generous hospitality? I think that would be most appropriate.

Mr. Chairman: They are being typed but they have not been sent yet.

Mr. Warner: Along with a note of appreciation from this committee, obviously through the chair, to the Sterling household for having shown their kind generosity when we were there.

Mr. Chairman: That is going a bit far. Yes.

Mr. Warner: I think that should be done.

Mrs. Marland: Could we have a rundown on the schedule for the balance of the week?

Clerk of the Committee: Tomorrow morning we will have the president of the press gallery, Rosemary Cino, appearing at 10 o'clock. At 2 p.m. the Speaker will be attending.

On Wednesday, representatives of TVOntario will be appearing at 10 a.m.

Mrs. Marland: When we get into the media people themselves, I think that is very critical and the PC caucus is meeting all day Wednesday.

Mr. Chairman: I know there is going to be a problem from time to time but there is nothing I can do. When people have caucus meetings, you will have to make your own judgement about whether you can attend for part or all of the day. My difficulty is I am asking people from outside the Legislature to attend on short notice. I would normally try to work around a caucus meeting but I am not really able to do it.

Mrs. Marland: Is the Speaker going to be all afternoon tomorrow?

Mr. Chairman: I think we will have a fairly lengthy session with him, yes.

Mrs. Marland: Are we going to have three hours with him?

Clerk of the Committee: I tried to get Mr. Stuebing from CFTO for tomorrow afternoon as well, but he is not available. He said he could come on Wednesday afternoon.

Mr. Chairman: The invitation went out to these people to come at their convenience because we were giving them about a week's notice. I would be rather reluctant to call them up and say, "Could you set aside your business tomorrow and come in because--"

Mrs. Marland: What about--

Mr. Chairman: I give you all the assurances in the world that we are not going to be passing motions when people are away and I am aware we are going to have a problem with that, but I would like to keep this thing on track.

Mrs. Marland: Then what is going on Thursday?

Mr. McClellan: Some of the veterans over there may be willing to miss part of the caucus meeting.

Mr. Chairman: Are some of you still in the caucus? If it will help you, we will try to reschedule some of it until Thursday. I just cannot guarantee that we will be able to do it.

Mrs. Marland: Thank you.

Mr. Chairman: On Thursday we are going to be trying to go through drafts of what this report would actually look like and we have some major discussions around access and things of that nature. We will need a little drafting time.

Mrs. Marland: Are we sitting Friday morning?

Mr. Chairman: The final piece of business I would put to you this afternoon is that we are scheduled to sit on Friday. I would put it to you that you are all having the same problem I am having. I have not had a day in the constituency office in about a week. We have more hearings scheduled next week than I would really care to have. I need some time in the constituency office. I would prefer, if you can, that we do not sit this Friday.

Mrs. Marland: Okay.

Mr. Chairman: We stand adjourned until 10 o'clock tomorrow morning.

The committee adjourned at 4:46 p.m.

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STANDING COMMITTEE ON PROCEDURAL AFFAIRS AND AGENCIES, BOARDS
AND COMMISSIONS

TELEVISION IN THE LEGISLATURE

TUESDAY, AUGUST 13, 1985

Morning Sitting

STANDING COMMITTEE ON PROCEDURAL AFFAIRS

CHAIRMAN: Breaugh, M. J. (Oshawa NDP)
VICE-CHAIRMAN: Mancini, R. (Essex South L)
Bossy, M. L. (Chatham-Kent L)
Marland, M. (Mississauga South PC)
McCaffrey, R. B. (Armourdale PC)
McClellan, R. A. (Bellwoods NDP)
Morin, G. E., (Carleton East L)
Newman, B. (Windsor-Walkerville L)
Sterling, N. W. (Carleton-Grenville PC)
Treleaven, R. L., (Oxford PC)
Warner, D. W. (Scarborough-Ellesmere NDP)

Substitution:

Smith, E. J. (London South L) for Mr. Mancini

Clerk: Forsyth, S.

Assistant Clerk: Decker, T.

From the Legislative Assembly Press Gallery:

Cino, R., President; with Thomson Newspapers

Coté, G., First Vice-President; with Radio Canada

LEGISLATIVE ASSEMBLY OF ONTARIO

STANDING COMMITTEE ON PROCEDURAL AFFAIRS AND
AGENCIES, BOARDS AND COMMISSIONS

Tuesday, August 13, 1985

The committee met at 10:13 a.m. in room 228.

TELEVISION IN LEGISLATURE
(continued)

Mr. Chairman: We have before us this morning Rosemary Cino and Guy Côté, who are going to represent the press gallery. They have a presentation for you.

Before we begin, for the information of our two guests this morning, the committee is interested in how the gallery goes about its business and what comments they might have on the televising of the proceedings of the Legislature. We would be interested in knowing, obviously, what use the media might make of a change such as this. We are interested in your impressions on whether that will be a help or hindrance as you do your job.

I think you should know it is not the committee's point of view that we will televise the proceedings here specifically for the media, but we want to do something which will be useful to as many people as possible.

In our deliberations in Ottawa and in Regina we were impressed that an attempt was being made to record the proceedings on television in a manner that informed the public, so they could follow legislation and they could follow a bit of the business of the chamber.

That is probably the prime purpose, but in both places we were made amply aware that the media made extensive use of the televised proceedings and were a very important part of it all; so we are interested in how all of that fits into your job and how it might impact on you and also what recommendations you might make as to some changes or how we would implement the whole process.

LEGISLATIVE ASSEMBLY PRESS GALLERY

Ms. Cino: I will read the brief of the press gallery. Mr. Côté, who is our electronic vice-president, will answer your questions after we go through our brief. The points the chairman has raised are exactly the points we want to talk about.

The press gallery welcomes this opportunity to comment on the proposed introduction of electronic Hansard. As a gallery, we wish to raise questions about the possible implications for us of any new system rather than offer opinions as to the system itself.

Our membership is on record in support of electronic Hansard provided it does not remove the traditional freedom of access enjoyed by both television and still cameras. At our December 1984

meeting the gallery passed a motion that, "The Ontario legislative press gallery supports the installation of electronic Hansard on condition that news, television and print photographers retain their historic right to complete access to the Legislature."

Continued access to the House by private cameras is the gallery's primary concern. The 1975 report of the Royal Commission on the Legislature headed by Dalton Camp recommended the introduction of electronic Hansard. The gallery of the day urged the commission to allow both tape recording and television coverage of the Legislature. As a result, four private stations took up positions in the Speaker's gallery in 1976. There are now eight permanent positions and two guest spots. Representatives of the gallery's full-time television members have been invited to make their own presentations to this committee.

From the gallery's view, however, there are three main reasons for the continuation of the right of commercial cameras' access to the chamber.

First, continued access would be a recognition of the basic premise that a free press has the right to determine what is news. It would leave decisions of journalistic practice to the working TV media representatives.

In initially recommending that television be allowed into the House, the Camp commission noted, "The real stuff of a parliament is conveyed by the personalities in the proceedings, not by single, separate faces speaking into a camera." Electronic Hansard is no more television journalism than print Hansard is newspaper journalism. It can be a valuable supplement.

In practice, our TV members may choose to rely on electronic Hansard, as print reporters do, to give greater flexibility and to cover more angles and more stories. Nevertheless, the principle of continued access should be upheld.

Second, the exclusion of TV cameras would be discriminatory among the various forms of media covering the Legislature. Presumably, print reporters would still take notes, radio broadcasters would continue to tape and still photographers would likely be able to shoot from the press gallery, as is the current arrangement.

Third, the presence of the private cameras has been established through precedent. It is now a tradition that dates back almost a decade. No other legislature in Canada had commercial cameras prior to electronic Hansard, so there is no comparable situation elsewhere. Now the House of Commons and the legislatures in Saskatchewan and Quebec have electronic Hansard systems. Ottawa's began in 1977, Quebec's in 1978 and Saskatchewan's computerized system in 1983.

In Manitoba there is coverage of question period, which is distributed through a consortium of private stations. Alberta and the Yukon, like Ontario, allow accredited commercial cameras unlimited access. In the remaining provinces, cameras are restricted to ceremonial occasions.

By choosing to allow private cameras the option of access, the Ontario Legislature has the opportunity to put into practice its promise of openness. It would be unfortunate and disappointing if in this new era of "government without walls or barriers," in the words of the Premier (Mr. Peterson), the first barricades were erected to the television media gathering public information.

In addition to the question of access, the gallery also has concerns about the possible disruption of the office space we occupy. There are questions about where the electronic Hansard control room will be located and whether our space is being considered for its functions.

10:20 a.m.

The Camp commission suggested that eventually the gallery may have to be relocated to office space in another building because our numbers would increase. Then the commission recommended that none of the gallery offices be moved until all are relocated.

Despite the understandable surge of interest in provincial coverage and the rapid increase in associate memberships without office space, there are only four more full-time members than there were in 1973 due more to increased staff within existing bureaus than new organization members.

Our membership favours remaining in its present quarters in this building as the most advantageous location to carry out our job.

In summary, the gallery supports the installation of electronic Hansard because it can bring more television coverage of the public business of the Legislature to viewers. However, our concern is that it not interfere with the existing traditional right to access of private cameras, leaving them the option to exercise that right.

Continued camera access should be allowed because it recognizes TV journalists' right to independent news judgement, because it prevents the creation of different classes of reporters among the gallery membership and because we have established the custom through tradition.

In addition, we are submitting the gallery's 1973 brief to the Camp commission, which includes suggestions such as the permitting of note-taking in the public gallery. It may form the basis of further discussion between the gallery and the committee as you pursue more ways to open the process of government.

Mr. Chairman: A heck of a speech, Rosemary. Any other comments you want to make before we start?

Ms. Cino: No. We are ready to take questions.

Mr. Treleaven: All right. Off the top, I see no problem with leaving the existing TV cameras and the other cameras as they are now, so I do not want to address myself to that.

Is there an area 14 feet by 20 feet in the existing press gallery area that could be made available? Out in Regina they had a control room that was about 10 feet by 20 feet and they said they really needed another four feet in width to get back from the screens and from the monitors. What is going to have to be found here is a spot approximately 14 feet by 20 feet that is relatively close and relatively simple without knocking the roofs off and the walls out of the building. Can you think of such a space in the existing press gallery area or nearby?

Mr. Coté: I am afraid the straight answer is no, since we are all tightly jam-packed. Somehow someone will have to give space for that.

Mr. Treleaven: If there is no such space in the press gallery area, do you know of other space nearby that could be made available? Do you have any suggestions?

Mr. Coté: Not that I know of.

Ms. Cino: I could not say what size of box there is other than our own. Our own space is all divided into quite small offices.

Mr. Coté: We keep hearing about lack of space from our membership. It would be pretty hard for us to find space within our area.

Ms. Cino: I do not know what other offices are near us.

Mr. Treleaven: To follow up one more thing, you talk in the final paragraph about the permitting of note-taking in the public gallery. Can you expand on that a bit for us?

Ms. Cino: It is a suggestion that is included in the information you are going to receive from the gallery's old brief in 1973. Reading through it on my own, and I have not discussed it with the membership, it seemed a novel idea.

From our point of view, it may be able to relieve some things, such as groups of Ryerson students wanting to be in the gallery so they can take notes for school projects and that sort of thing. There are constant school trips and other people who have an interest in what is being discussed.

It is referred to as a somewhat archaic custom, so I thought it might be worth at least kicking around at some point.

Mr. Coté: The idea here is that filming for TV reporters is a sort of note-taking, basically a tool of the trade.

Ms. Cino: I included it because it was there and it may be something we should discuss down the line, in the public gallery per se.

Mr. Treleaven: Perhaps I could simply put something on the record about note-taking. I find it nonunderstandable that a person who wishes to take a book or manuscript to read into the

public gallery to read or who writes a letter on his or her knee cannot do so, but he or she can bring in a purse as big as a suitcase, big enough to contain an assembled machine gun without it being questioned. It seems to be a lack of common sense.

Mr. Chairman: An assembled machine gun would be questioned.

Mr. McCaffrey: I have two or three specific questions, but at the outset I would like to make a comment on the matter of space. We are talking not only about space for a control room but for the professional media now.

There is no group of people that permanently occupies space in this building--people in research, libraries, administration, each of the caucuses and the members' support groups in those caucuses and the media--that does not regularly talk about the problem of space in this building. Before we go too much further, the Minister of Government Services (Ms. Caplan) and the Speaker, and perhaps the Board of Internal Economy, should meet to receive submissions, if that is required, to allow people--from members to librarians to the media--to make some kind of representation about space. Mr. Forsyth, maybe we can get this as a recommendation in our report.

What has been happening in this building over the half a dozen years I have been here is madness. It has grown like Topsy, and we are rapidly approaching the position where members, for God's sake, are going to be in buildings other than the main legislative building, which is absolutely, fundamentally wrong. I wanted to get that out of the way. We can talk about it again.

Mr. Chairman: That is happening, by the way.

Mr. McCaffrey: It is?

Mr. Chairman: Yes.

Mr. McCaffrey: On the top of page 2, there is a comment: "Four private stations took up positions in the Speaker's gallery in 1976. There are now eight permanent positions and two guest spots." How are those permanent positions arrived at? Why are there only two guest spots? How are they determined?

Mr. Coté: The way it is done now is that our membership is based on the news organization. That news organization keeps sending more people. At the end of this, we ended up with a larger number of people working within the confines of the area. A larger membership was necessary.

Mr. McCaffrey: If there were no guidelines or restrictions, in a normal day, as it stands now, there would be eight permanent positions and two guests, that is, 10 people with cameras permitted in that gallery. If there were no restrictions or guidelines, how many would there be?

Mr. Coté: Fewer, I guess.

Ms. Cino: If there were no restrictions--

Mr. McCaffrey: I think I am already getting an answer. There is no pressure to have more there.

Ms. Cino: Among associate memberships, the new ones the people are applying for, there is only one television station, or perhaps two, that intends to cover on a part-time basis.

Mr. McCaffrey: It is not a problem. Okay.

Mr. Newman: Is the space in the gallery allocated, or is it on a first-come, first-served basis?

Mr. Coté: It is done in an almost traditional way. Some news organizations have been here for years; some keep coming. The number of news outlets is the same.

Ms. Cino: They are allocated by seniority, and the two guest spots are reserved on a sort of first call for the two national networks. Probably the two nationals would be here in the case of big events.

Mr. Coté: Yes. The proper answer is that when more news people or more cameras are needed, most of the time it is for a special event with special arrangements made for that situation. The regular spaces in the gallery are always used, but we find some other accommodation for special circumstances.

Ms. Cino: It could be a pooling arrangement.

10:30 a.m.

Mr. McCaffrey: This is my last point. Like my colleague Mr. Treleaven, I cannot see how in reason or logic we could do anything but permit private cameras the option of access, to use your phrase, that you have traditionally enjoyed here.

I wonder if you could help me a little, without reference to notes. Reference is made in here about the face-on thing in Ottawa. I do not think anybody on our committee was impressed in any way, shape or form with the situation in Ottawa. I think we were, without exception, impressed with the Saskatchewan process, both technically and by the fact that they had a lot more freedom and a lot more judgement as to what kinds of shots they could show.

Given the fact that I believe there should be continued access, what kind of guidelines would you professionally like to see--I am talking now about the face-on and other judgements--as to what the electronic Hansard would be able to cover? What kinds of freedoms would you like to see, not to preclude you from being there with your own cameras, that would be helpful professionally to you?

Mr. Coté: I would like to see the biggest number of cameras with the most angles to film anybody talking anywhere in the chamber; I mean by this wide angles of anything that is happening.

Basically, the best coverage would be the kind if members of the public--our listeners or watchers--were there themselves. In other words, if you are there, you know exactly what is happening. There could be something more interesting in the public galleries than downstairs on the floor of the Legislature.

The problem with electronic Hansard is that sometimes the camera strictly follows the person who is talking.

Mr. McCaffrey: Do you have any feeling on split screens or reaction shots?

Mr. Coté: Yes. Friends in Ottawa tell me the way it is done, you need a kind of director; you need someone who is going to say, "Switch from camera 1 to camera 2." Some people in that field are reliable, and some are less reliable. The news judgement of some is more professional than that of others. It is a matter of being able to rely on someone. That person may be a newspaper person or not.

In Ottawa, it can be good for three weeks and then bad for three more weeks. It depends. That is why this matter of access is very important to us. If there is a weak spot in the electronic Hansard coverage, we can always take care of it.

Mr. McClellan: We New Democrats do not have any problem with the principle of continued access either. That position has been relayed to the press gallery over the course of the past year or year and a half as we have been discussing the introduction of electronic Hansard.

I am curious to have a sense of what the commercial cameras would continue to shoot, though, once we put a system in place. I can understand you would need to have a full complement of crews in the gallery available to interview the members outside in the scrum, to get clarification of issues and debates that were raised in the House.

What kinds of things would be shot from the Speaker's gallery inside the House, assuming we are able to get approval for a system that provides a good measure of flexibility and with the one proviso that whoever has the floor is going to remain on camera?

I am sure you will agree we are not going to have an electronic Hansard where the camera leaves the person who is trying to make a speech in the Legislature and pans up to the galleries for a shot of the people who have chained themselves to the railing in protest.

Leaving that aside, what kinds of things would the private and public networks want to shoot, assuming we set up a fairly open and flexible system?

Mr. Coté: It is fairly hard to forecast, since we do not know exactly what kind of electronic Hansard it will be. We do not know how it is going to operate, and we will have no internal journalistic reliability as to whether we will be able to rely on it or to what extent we can rely on it.

I guess the answer is twofold: provided the electronic Hansard is good and we can use it as our print colleagues use the printed Hansard, it could be a very useful tool. People should not assume that since there is no camera in the Speaker's gallery there is no private coverage. It will be simply a better way to work with more tools. It also goes back to the nature of the news itself, if there is any. It is pretty hard to answer more clearly than that.

Mr. McClellan: This may be an unfair inference, and it is obviously a leading question, but would there be some kind of correlation between the flexibility of the system we install and the number of private cameras you feel would need to remain in the Speaker's gallery?

Mr. Coté: Two provinces and the House of Commons use that system now and all three are different, as you may know. If I were working in Quebec, I guess I would be working one way; in Saskatchewan, I would be working another way. I could answer your question more properly if I knew exactly what kind of Hansard it would be, who was going to control it and what type of personnel the Speaker was going to hire to look after it.

Mr. McClellan: We will all wait and see.

Mr. Bossy: I would like to know the extent of use of shots taken in the Legislature compared to those taken out in the scrum sessions and what percentage actually goes on air.

Would you have records to show what percentage of the shots are taken in the Legislature compared to all the interviews that are taken outside? I always seem to see those shots taken outside of the Legislature and very seldom those in the chamber. When I do see one from inside, from the angles of the cameras, it is usually very poor quality because it is a side shot with all kinds of shadows.

You want the best of both worlds, your own private cameras up in the gallery and the electronic Hansard, but we are talking of reporting the entire functioning of the Legislature, not just a selected spot during a day.

I find it a little disturbing during question period that it is only the featured personalities, the Premier (Mr. Peterson) or the leaders of the opposition parties, who seem to get the attention of the cameras in the gallery and then people storm out through that door to make sure they are in place after question period. Then there is no concern by the news media about what goes on in the House.

As regards professional pictures being taken, this is what we are striving to do, to bring in proper lighting and professionalism in the area of television, and access for the media would be fully available in what we are considering.

In view of what has happened, I am not very happy with what I have seen here. It is just in with those cameras for 10 to 15 minutes when the key players are on, then, boom, out the door to

make sure you grab them out in the scrum area, which is mostly what gets reported.

10:40 a.m.

Mr. Coté: In reference to your percentage question, it varies very much with the individual news organization you may watch. The feeling among our members is that if you check where we are now in regard to shooting positions, you can pretty well guess that if the Hansard shots are nice, they will be used; so you will have an increase of usage, simply because the ones we have now, with respect to position, are not the best.

That being said, the selection of shots will be done on a journalistic basis anyway. I guess the TV coverage might come afterwards.

Mr. Bossy: I am a little concerned when you talk about shooting or playing the galleries. I feel strongly that this would lead to demonstrations in the galleries for media attention. How better can you get on TV than by creating that kind of situation up there? Giving access to this would lead to that and to utter chaos in the Legislature.

The intention of the Legislature is to do the business of the House and for us to report directly to the constituencies of Ontario what are the business matters of the House that are being taken care of, as crazy as some days are in there doing the business.

Mention was made that the cameras would be playing on the galleries when a person is making a speech. As much as we want to have open access, to create a situation caused by cameras would be totally changing the climate of the Legislature.

Mr. Coté: Yes. The gallery was strictly an example, but the type of shot we would need would be simply a minister's reaction to the question asked rather than the opposition member asking the question. That would be provided by Hansard anyway. It could be any type of shot, not necessarily that. I was referring to that as an example.

Ms. Cino: To go back to your point, we have had the cameras there and they are now free to shoot the public galleries. Over the past 10 years I do not know that there has been any increase in the number of public demonstrations to play to the cameras in the House. I do not know that having cameras there necessarily encourages it.

Mr. Coté: If people want to go to the cameras, they will go anywhere to reach us, the steps of the Legislature or anywhere else.

Ms. Cino: We have been living with that system up until now, so they have been free to demonstrate in the public galleries in front of the cameras if they have chosen to. It is not something we are going to be starting.

Mr. Sterling: I guess I am not surprised at the request that the press gallery has put forward to retain its present access to shoot from the gallery as well having the advantage of the electronic tapes which we will be producing and which will be of better quality.

I want to put my remarks in the context that I talked about yesterday, that I believe the televising of the debates in the Legislature should reflect, in the best way possible, the actual happening of what is going on in the Legislature.

Members of the committee and members of the Legislature should remember, and so should the press, that the Legislature is a special room in this province that is put there for the use of the members who are elected by the people of Ontario. They are elected to come down here and reflect what their constituents have said to them. It is their showplace.

In addition to that, we have a public gallery, but the public is not invited to take part in the debate. Those who have elected in the past to demonstrate in the Legislature have become part of the debate of the Legislature, like it or not. That is against our rules, but we have no penalty we can impose on them.

I feel that is wrong. From time to time I have felt intimidated by demonstrations that have taken place in the Legislature, but not greatly. I do not intimidate too easily, as my record might show. But I do not feel that is right.

We in the Legislature have created a number of rules to guide our day-to-day conduct on the floor of the Legislature. We have rules which say I cannot stand up and speak or have the floor at all times. I cannot present a motion unless I have the agreement of the House leaders to present that motion. I cannot present bills to have them passed at any particular time. Therefore, I feel that room, the Legislative Assembly, is different from any other place in this province.

That room and those rules are put in place so each member who comes down here on his constituents' behalf is treated equally and fairly as compared to the other members of the Legislature. He has an equal chance, one-125th of a chance, to say what he believes on behalf of his constituents. The rules or standing orders and the Legislative Assembly Act are designed to give each member his say in the best way possible.

I have no objection at all to providing an electronic Hansard, if that is what you want to call it, or television coverage of the debate in its widest scope possible to give a wide range of options for the person who is in charge of directing the show, provided he deals with me the same as he deals with Mr. Bossy or Mr. Warner.

I do have objection when a member of the press gallery treats me differently in the Legislative Assembly from another member of the Legislative Assembly. You may say that as soon as I walk outside of that room the journalist has that right. He does have that right, but inside that Legislative Assembly it is a

different room, as I have said before. It is a room where everybody is to be treated the same. I have the right to speak on behalf of my constituency in Carleton-Grenville, the same as anybody else has the right to speak on behalf of his constituents. Therefore, what is being conveyed out of that room should be dealt with the same as any other member.

I approve of this and I look very enthusiastically towards the televising of the Legislative Assembly. It will be a great thing for the people of Ontario, especially down in the area I represent. They do not get a chance to come down here very often. It is 250 miles away. It is a great and positive thing we are doing in this assembly.

However, we must remember the House is there primarily for the members to speak on behalf of their constituents. Therefore, the coverage in the past can be eliminated because we have a replacement for that visual presentation of what is happening in the Legislature. We did not have it before because we did not have this facility we are planning to put in there and therefore I think you had some right to access.

In most cases the visual presentation of most television stations was fair, but not always. I saw some bad examples of it too, where there was a definite misrepresentation of what was going on in the Legislature. At least what I saw going on in the Legislature differed from what was presented.

10:50 a.m.

In the light of the disruption that currently occurs in the Legislature after 20 minutes or so, after the leaders' questions are done, and because of my strong feeling that the Legislature should not include participation by the public gallery under any circumstances, my approval for this would be conditional on the existing arrangement for the press gallery with regard to television cameras being removed, both from a practical sense and from a sense of what, philosophically, I strongly believe the Legislature is for.

Mr. Morin: Assuming that the press gallery setup remains as is, would you consider establishing guidelines similar to those we hope to implement for our own system of coverage and submit those guidelines to the attention of this committee?

Ms. Cino: Guidelines on what?

Mr. Morin: Guidelines on the use of cameras, the type of shots you can take, respect for the chamber itself; guidelines of your own. These guidelines would be established or prepared by you and brought to our attention. I think it is in line with what Mr. Sterling mentioned. We have to follow guidelines and we see ourselves that guidelines should apply to everyone.

Mr. Coté: We have one general guideline now, what is news and what is not news. All the rest is a matter of tools of the trade such as the electronic Hansard. To a certain extent it is the same. Of course, I understood Mr. Sterling regarding

members' privileges. I very well understand that. Basically, the only thing we are saying this morning is that we have enjoyed traditional access with regard to cameras, as you know, and we would like to remain. The members of the gallery favour having an electronic Hansard providing the cameras stay there.

Ms. Cino: It would be difficult for the gallery to submit a list of rules that some of its members would live by when you are not asking for a list of rules for print journalists to live by or for what is taped for radio. We are in a difficult position in considering that.

Mr. Morin: It is something you might consider, something you might discuss among yourselves and say, "There are certain guidelines and we cannot operate the same way in the House as we do for another type of news."

Ms. Cino: There are. We cannot shoot from the floor. I understand there is an assembly in Virginia where television cameramen walk on to the floor of the House and reporters interview members at their seats. We do live by some guidelines and the decorum of the House.

Mr. Morin: In other words, you are telling me you do not want guidelines.

Ms. Cino: Yes.

Mr. Morin: You want to be left on your own.

Ms. Cino: The gallery itself would have a difficult time.

Mr. Morin: We have to follow guidelines.

Ms. Cino: We do.

Mr. Morin: That is what I find difficult to accept. The rule should apply to everyone.

Mr. Côté: It is just a matter of wording. We do have what I would call the guideline of the ethics of the profession itself.

Mr. Morin: As long as the code of ethics is followed.

Ms. Cino: Yes.

Mr. Côté: The reason it would be difficult to think about guidelines is that the gallery is not the arbitrator between different private television broadcasting interests, which are, by the way, very competitive at times. I guess the committee has invited submissions from the private broadcasters and you will see for yourselves the differences between one news outfit and another. There is a whole range of interests. Some people prefer one way of doing things and other people prefer another. We are here to remember the basic elements of the trade.

Ms. Cino: As well, it is pointed out to me by my

colleague that when the television reporter is there and camera people are with him they have to live by guidelines. When they are in position, they cannot wander around; they cannot leave that television area. They do not use their own microphones; they must use the audio feed from the House. Therefore, there are restrictions.

Mr. Coté: We request guidelines when we need to after question period--

Mr. Morin: What I am referring to mainly is the use of the camera itself. I look at the camera as a weapon--

Ms. Cino: That is your point of view.

Mr. Morin: It is a weapon you can use to your best advantage, just as an expert photographer can get the best of pictures. Another one, given the same tool, will not be able to accomplish the same.

Ms. Cino: That is true.

Mr. Morin: What I am getting at is that we have guidelines to follow. There are certain shots we can take and certain ones we cannot take. Would you be willing to consider a certain set of rules which you submit to our attention? It would not have to be strict, but it would be in line with what we have to follow.

Mr. Coté: Why do you need rules from us?

Mr. Morin: Not rules, but guidelines; certain things we know will not be done.

Ms. Cino: It is our job not to do certain things.

Mr. Coté: What we are asking now is for a statute regarding the access.

Ms. Cino: Do you have examples of the kinds of things you would include in your rules?

Mr. Chairman: Maybe I can help you. The committee might say there is no problem with anybody having access, but the purpose of television cameras in the assembly chamber itself is not to cover a demonstration in the gallery. So it would ask the press not to cover a demonstration in the gallery. I believe this has happened on one or two occasions when there was a bit of an uproar and the Speaker intervened and asked that the cameras be shut down. I recall it happened and there was not a big to-do about it.

What if there were some kind of guideline, as Gilles suggests, which said you are here to film the proceedings of the Legislature, not demonstrations in the gallery, and we would ask you to develop some kind of code of the west which would say you would not turn the cameras towards the galleries?

Ms. Cino: Would that story not be on the front page of the Globe and Mail? Would it not be on the radio? We would have a difficult time saying that some of our members have to turn a blind eye to what is happening while I am taking notes and somebody else is already blasting it on the radio.

Mr. Chairman: The distinction you are making is that the gallery's business is not to keep a record of the proceedings. The gallery's business is to find the news story of the day, no matter where it happens.

Ms. Cino: That is right.

Mr. Chairman: In that sense, we are maybe not at odds with one another, but we are certainly working for different purposes.

Ms. Cino: That goes back to the points made by Mr. Sterling and Mr. Bossy. What electronic Hansard will do from your point of view is give continuous equal coverage, and what we have to do is a different job. It can complement what we do, but it is a totally different job.

Mr. Warner: I have a couple of comments and questions.

The freedom of the press is balanced by a responsibility to report news accurately and honestly. I have been here on occasion over the last 10 years and, with a few minor exceptions, that is precisely what has happened. The press has had quite a bit of freedom, not total freedom, to cover the building and the proceedings and the political events that occur here, and it is accurately and honestly reflected in the news coverage in all the media. There is the odd case when there may be a little slant, but basically it is well done. I do not have any quarrel with that.

Naturally, sometimes the members get a little nervous about television cameras covering them, perhaps more so than having their pictures taken or a news story being written for the paper. TV is live and it is a dominant feature in our world today, so the members get nervous about it. At the same time, maybe the members are not the best people to judge the accuracy of the coverage on TV. We have vested interests in what we do and we may not be the most objective people to look at that. Asking my constituents would probably be a better way to determine whether coverage on TV is reflective of what is going on, or whether it is a distortion of what I am doing. I do not have any problem with the cameras remaining.

11 a.m.

On a side note, I am not sure exactly how helpful it is to you but I think it is not a particularly good camera angle for a lot of what you want to shoot. At this stage, the lighting is not particularly good and in some instances the audio also is not good. However, that is your problem to a certain extent. I do not have any difficulty in you retaining what you have.

Space is a serious problem. Both for the members and the

press gallery it is a problem of cramped quarters now and, as Dick mentioned, we would need a room about 14 feet by 20 feet. That does not sound like much but around this building it is a problem. That has to be worked out, there is no question about that.

Are of you familiar with the operation in Regina?

Mr. Coté: I just read about it.

Mr. Warner: While we were there, one of the things that impressed me--and I do not know whether it is because it is a smaller operation than what we will have here or whether it is technically feasible or poses great problems for us--was that on special occasions, such as the budget speech or throne speech, they televise the proceedings live, gavel to gavel. At the end of the budget speech, when the assembly has finished its business and members come out of the chamber, the CBC and CTV--I think they are the only networks there--are able to patch in live and do interviews and so on into the existing network which goes across Saskatchewan.

First, would the electronic media here be interested in that type of arrangement? Second, does it become a technical nightmare because of the number of networks involved here?

Mr. Coté: It is an excellent question but I guess only the network could answer that one.

Ms. Cino: It probably is a better question to leave to the individual. Are you basically talking about a pooled scrum that goes out over the networks?

Mr. Warner: I think that is how they do it.

Mr. Chairman: If I could just intervene for a minute, what happens is they use the existing feed and simply plug into it. Instead of everybody having his own direct feed, they all go into one common system. Basically that is all the difference.

Mr. Coté: But it is a nightmare to organize that kind of pool coverage on special events. Station A and station B will agree, and then suddenly, out of nowhere, station C decides on its own line and its own type of shots. I guess the sheer number of those organizations here would make it much more difficult. But it could be a very nice question to ask.

Ms. Cino: The idea has been kicked around in Ottawa and it was just impossible to get agreement among the numbers there. Here we would have a good many more than in Saskatchewan, which is a very small network. The number of TV cameras make it easier for them but a pooled scrum has been run by Ottawa with not enough co-operation. Apparently guidelines and access to the tape and things like that are the difficulties. You may wish to raise it with individual members.

Mr. Warner: Have you had an opportunity to look at the guidelines we received from Saskatchewan?

Ms. Cino: No. We should get a copy. I have not had a chance to look at them. I talked to some people in Saskatchewan on the phone about their system.

Mr. Warner: I would be interested, as would other members, in having your candid comments on the guidelines from the perspective of what we are attempting to do in the House. It is a different function from what you people are attempting to do. We were wrestling with the guidelines yesterday and we are going to wrestle with them a bit more before we have finalized them all. I always appreciate people's comments, especially those from folks who are doing something different.

Ms. Cino: If you can distribute them, probably we should take a look and our television members should take a look. At that point, perhaps we can bring you back some comments. It is hard to make comments right on the spot.

Mr. Warner: That is fine. There is always a little dichotomy between trying to establish something that is accurate and does the job in terms of reporting the proceedings out to the people of Ontario and at the same time providing good television. That is where we get into a discussion about split-screen shots, for example. Split-screen shots may be better television, but do they distort what we are trying to do? That is the kind of discussion we get into. Any reflections you have on that sort of thing I would find useful.

Ms. Cino: I can see individual members making comments on the specific guidelines you are talking about, but we at the gallery want to separate ourselves from not going through step by step. I do not see it as our jurisdiction to dictate what your system is going to cover. We are here to say: "This is our concern. This is our position and this what we are worried about."

We want to be co-operative. However, I see that as more of an area to be commented on by the individual stations that will have to link into it and use it.

Mr. Warner: May I assume that people in the gallery generally view this adjunct as being an assistance to their finding news?

Ms. Cino: Definitely.

Mr. Warner: You would take out certain clips you require for your news and add to them by way of personal interviews later, with some kind of introduction to the story and so on? Is that basically what you are looking at?

Ms. Cino: Yes.

Mr. Warner: In that regard, we have discussed having the technical facilities put into a committee room and covering certain committee hearings. The one that came to our minds immediately was the separate school bill. May we assume that would be an additional and useful source of news for you people?

Ms. Cino: In the way you have described, yes. We see it exactly the same as print Hansard; it is there, it is a record, and I can go back and look at last night's or yesterday's. I understand there would be a store of tapes or file film we could pull in the same way we can pull a page from Hansard of whatever day and whatever year.

Mr. Coté: One can even be doing another story too.

Mr. Warner: Thank you very much. You have been very helpful.

Mrs. Marland: First, I want to say I agree totally with the last paragraph of your brief. It is absurd that there is a prohibition on note-taking in the public gallery. I was not even aware of that until very recently, and I cannot believe it. I do not understand the reason for it. If it is a matter of saying there should be some control over who reports the proceedings of the House, it would be rather absurd to suggest that people sitting in the public gallery taking notes have any greater access to an accurate record than anyone else in the entire House taking records. That is a very archaic restriction and it should be removed.

In dealing with this whole subject, we should consider and recognize the fact that the visual media have the upper edge on the impact on the public in terms of reporting, entertainment and everything else. The number of people who read newspapers is substantially smaller than the number of people who view television news programs. That is borne out in an extremely confirming manner by the fact that it costs a phenomenally greater amount to advertise on television than it does on radio or in the printed media.

We have to start with why it is we are discussing this with the kind of concern we are. I suggest we are discussing it very fairly in this committee. I am very impressed with our committee's approach to this subject. We are also approaching it with a caring for everyone involved, including our constituents and the people who are represented here this morning.

11:10 a.m.

We all have different obligations. If we have an obligation to serve the public, so do you in representing what it is we are doing or not doing. I concede that point.

I find it interesting on page 3 where you say in your second paragraph, "None the less, the principle of continued access should be upheld." I feel your access today, as some of the previous speakers have pointed out, is very limited. Your access is not limited, but your use of that access is limited, the fact that you are there at the beginning of the question period, as a previous speaker said. You are not fully using what is there today.

You may well miss something later on that is not even part of the question period. I recognize that staffing cameras that sit

there all the time is something in terms of economics. It is interesting to me as a new member of the House who has only had four weeks to observe the process. I was amazed how suddenly, towards the last third of the question period, there is silence because the TV cameras have disappeared. I had not anticipated that nor had I anticipated the fact that they were just in for the question period, even if some interesting speeches were coming up. They do not even come back in for those.

In terms of reporting accurately, in my opinion there are incidences where perhaps the record is not so accurate. The question period is not always the best picture of what goes on in our House. Fortunately, sometimes we have good questions and sometimes we have good answers, but in my four weeks of observation I have sometimes felt the question period was pure theatre and I do not know whether pure theatre is a benefit to the public in reporting the news.

It might be more beneficial in some situations if the news was reported, as it can be with an electronic Hansard. It can be reported by having access visually, which, as I have just acknowledged, is the most appreciated form of observation for the public. If there is a very interesting speech explaining a bill or, later on, debating a bill, those are the issues the public wants to hear. The public does not only want to hear questions and answers, but also the debate of issues when bills are before the House. The coverage of Bill 30 is currently doing that and I see it as being a very important responsibility.

On page 2, in paragraph 4, you say, "It would leave decisions of journalistic practice to the working TV media representatives." I have to ask you if you feel that journalistic practice traditionally is nonpartisan.

Ms. Cino: Yes. Of course.

Mr. Chairman: Boy, you had me in suspense there for a minute, Rosemary.

Mrs. Marland: Rosemary, your opinion is that journalistic practice in the print medium is nonpartisan.

Ms. Cino: We try to be objective, human but nonpartisan.

Mrs. Marland: When you write an article, is it always edited by someone?

Ms. Cino: Yes.

Mrs. Marland: Do we have to lay the blame for editorializing at the feet of your editor rather than the journalist who has done the reporting to start off with?

Ms. Cino: Lay the blame for partisan reporting?

Mrs. Marland: Yes.

Ms. Cino: In an imperfect world, if there is partisan reporting that--

Mr. Coté: If you feed something five minutes to air time, believe me, no editor is going to interfere.

Mrs. Marland: Do you know what amazed me about the second or third day I was in the House, and I found it incredible? One of the members of the press gallery, whom I will not name but I was so curious at his actions I made a point of finding out who he was, was actually standing up there like the Argo coach and was going, "Come on, come one, come on" to one side of House, and then over to the other side of the House. He was physically encouraging the members of one party or the other to get a response going. He was not just sitting up there writing. He was standing and coaching with his hands. I thought, "Hum, it is pure theatre and he is the director." That was my impression.

If journalism is nonpartisan, then why is it that there is a Liberal paper or two or there is a Conservative paper--

Mr. Warner: There are no New Democratic papers.

Mr. Chairman: We want one.

Mr. Warner: We want one.

Mrs. Marland: The reason I am making this point is that journalism does not remain nonpartisan and in the real world we have to recognize that, Rosemary. In Toronto, we certainly know which papers are which. Therefore, if the print media do that, in your statement when you talk about leaving the decision of journalistic practice to the working TV media, I would have a concern that the working TV media would do the same thing the print media do.

I agree with one of the former speakers, who said he would be happy if we could be guaranteed that everyone of the 125 members in the House would have the same kind of treatment from the TV journalist and the TV cameraman. Even with electronic Hansard, as we saw through some demonstration tapes in Ottawa last week, you are still going to be able to be in a position of editorializing where you cut in an expression of an opposition member or a member on the other side of the House from the person who is speaking at that time.

One of the cuts we saw in this example tape in Ottawa shows the reaction of a speaker on the opposite side of the House. Indeed, we learned it was not his reaction to those words that were being spoken at that time. Once this electronic Hansard goes out on the television network, we recognize that this is something we do not have control over. I think what we are trying to talk about is having control whereby we have equity in the House for the members regardless of party.

If I am sitting out as a member of the public viewing your news program, you do not know whether I am Conservative, Liberal

or New Democrat. I may not want you to reflect through your decision on reporting that subject in the House what your viewpoint is as far as the party is concerned.

11:20 a.m.

Ms. Cino: Would you like me to respond?

Mrs. Marland: Yes, please.

Ms. Cino: In seriousness, in an imperfect world I suppose what we try to do individually as reporters at the various papers and every kind of medium across the whole spectrum is at least to present a fair and balanced picture of the thing. That is what we try to do. You can pick up the editorials of one Toronto paper over another and you can see two or three or how many editorials and you can flip the channels and see how many broadcasts of news that night, but over the whole thing I hope and believe there is a balanced coverage of what happened.

On the point you are making, if there is electronic Hansard, news organizations that are going to be using that tape are going to continue to clip them in the same way they do their own tapes; so I do not understand how there will be a record, a continuous chronology of the event, any more so with electronic Hansard than without it when it is broadcast as news.

I understand that members might have it available to send back to their ridings, to make available to their local stations. Mr. Breaugh and I have been involved in something we covered for Barrie and the Barrie television station. He came down and they filmed him and I wrote what he was saying. The small, local station could have access to that film and it will get things that probably were not covered by the bigger media. That is true and that is one way it can be a supplement.

As far as I can understand, the clips will be available in the same way and edited in the same way as they are now to be used as news. But as for the continuous, straight, if you like, bill of the proceedings, I do not know where that is going to be viewed, from the news judgement point of view.

Mr. Chairman: One thing I was impressed with in Saskatchewan was it appeared to me they had designed an electronic Hansard that was very useful from the media's point of view. It gave them the kinds of shots and the quality they wanted and was perhaps approaching something that was interesting. One of the faults we have seen from Ottawa is that it is a very sterile approach to it all and they simply felt they were getting footage they could use.

One of the things Margaret is alluding to--it has not happened very often here but on occasion it has happened and in other jurisdictions it has happened as well--is where somebody went back to an editing room somewhere and spliced together a piece that was from two or three days and presented that as being the proceedings that happened yesterday.

I do not know how we deal with this kind of thing. I have not seen that very often, but we have some concerns about that. In other words, somebody is presenting to the folks at home that this is what happened in the Legislature yesterday and here is a television clip of it. In fact, that is not what is being presented; what is being presented is some kind of a collage of file footage, yesterday's photos, things like that.

We had one example in Ottawa where some television station somewhere--they did not identify it for us--had gone to work and done that. They took a central feed of the electronic Hansard from the federal House and stuck in the middle of it reaction shots which somebody else had taken on another day, so it was a bit inaccurate.

Ms. Cino: Mr. Coté was going to say something.

Mr. Coté: What you are saying sounds a little bit like what the CBC and Radio Canada are doing, each in its own way, like la semaine parlementaire or parliamentary week, whatever it is called. This is what we would call a special-interest program.

Again, on this type of broadcast, the way it is done it is a collage. In regard to journalistic approbation, it has been discussed. I guess it could be useful.

The members definitely have a need to go back to their constituencies. The simple fact is that journalists choose to do one story rather than another. Every day I pick two or three good stories.

Mrs. Marland: Do a story rather than what?

Mr. Coté: Rather than another one. The simple fact is that we choose. Air time is limited. That is already an editorial decision. There is nothing partisan or wrong or dishonest about it, but we have to live with it. On the other hand, we might feel persuaded because we just do not believe that story. It is pretty hard to reconcile.

If the committee thinks the way Saskatchewan does it is best--you seem fairly impressed by the way Saskatchewan has done things up to now--I guess the gallery would be willing to study that and maybe give you some comments if you need some.

Mr. Chairman: They just seem to be combining what would be useful for media outlets with the concept of keeping a kind of official record of the proceedings. It seemed to be a bit of a better blend, so to speak, than what some other jurisdictions have done.

Mrs. Marland: Would it not be true that most of your television news broadcast is what is done in the scrum and not what is in the House.

Ms. Cino: I get varying estimates, even 50 per cent. It might be as high as half and half on some days. It depends on the story, but I am getting information that with some organizations it could be as much as 50 per cent.

Mrs. Marland: I have to admit that I think journalistic licence is more limited in television than in the print medium because you cannot--if you wanted to go to the trouble, you could do a tremendous amount of slicing with words, but obviously most stations are not going to do that. When I am dependent on your printing what I have said in a certain context, the print medium has more latitude than TV. I certainly acknowledge that.

Mr. Chairman: It is not an opinion shared by all.

Mrs. Marland: It goes without saying that--this is not actually the journalists in the House--the policy of newspapers is unfortunately partisan. While I acknowledge that, it has not been my observation that there has been as much with the television stations.

Ms. E. J. Smith: I will try not to repeat anything. I apologize for being a substitute if I am covering ground covered in another meeting. In this discussion the most important thing we should be doing is looking at what to me should be very different guidelines for the private press and for Hansard. Politicians never find they are properly covered by the media because they always have an absolute point of view, and the media come somewhat short of that.

When I am faced with these complaints, as a politician I have always said I would not be a politician without the media, for all their errors. The only thing that makes it possible for honesty to survive in politics is that we get reported, however fairly, and generally it works out comparatively fairly. I would say the media are our first line of defence in a democracy. On the other hand, in the real world, as has been pointed out, given 10 people asked to synopsise a meeting, all will give a different synopsis no matter how they try, because they have different interests and points of view.

I want to make this distinction very clearly. I am not too concerned that the news broadcasts done by the media are not totally fair and never will be. The most important thing is that Hansard, even though it might be dull, be something that news media coverage can be judged against by those who wish to report on it. Therefore, my greatest concern when listening to the debate here would be that we will be so concerned about making Hansard interesting that we turn it into another news coverage. If we allow that, we will no more be able to get away from the accusation of not having been fair than will the media; yet we are charged with the responsibility of total fairness.

Therefore, it is very important that we keep in mind the point of Hansard. The printed Hansard is very boring, and I anticipate the electronic Hansard would be more boring than the public would want.

11:30 a.m.

The general thing is that it is available for analysis. To that extent, I feel very strongly that although TV may be more expensive and may be watched by more people, what is done in studying what is in print is very important in a democracy. For someone who wishes to do a study of what has actually happened on any given subject, the most important resource for him should be to look at it in as pure a form as possible, off the floor.

Therefore, in any discussion we have about guidelines we should be making very clear what we are talking about and what are the main purposes of the two coverages. For Hansard, I am willing to sacrifice a lot for accuracy. For the news media, I know we have to expect them to put as one of their chief objectives the desire for it to be watched, or sold, if it is a newspaper.

I wanted to make that point. It always amazes me how many people actually do watch a straight, boring presentation, including the Ottawa House, which is often boring. Our council meetings in London were watched. I could not believe the number of people who sat down and watched them all. That was very important coverage. The purity of it is the most important thing for us to preserve.

I have to note that in front of us we have the press gallery's submission on electronic Hansard. But we are getting into a discussion of the guidelines for the press gallery. We should be very careful of that distinction.

Mr. Chairman: Ms. Cino, I would like to raise a number of things that have been brought to our attention by other members. They are practical problems, for the most part.

The most obvious one is that when we looked at other jurisdictions, we realized the lighting in the chamber here is, from a member's point of view, absolutely atrocious. When we went to Ottawa we found it was even more atrocious. When we went to Saskatchewan, however, we found a different technique for lighting which made it actually quite comfortable.

One thing that might be a technical matter but one of some concern is that you are not going to want to have cameras in there if you do not have sufficient lighting to pick up the proceedings. From what we heard in Saskatchewan, I take it that any news-quality camera would be able to use that kind of lighting.

We could solve the members' problem of glare and difficult working conditions and not cause you a difficulty. Would that be true?

Mr. Coté: I was told the same.

Mr. Chairman: So you think there would be no problem there?

Mr. Coté: No.

Mr. Chairman: We may have solved one problem already.

Second, this morning in here we have people parading around with tape recorders and typewriters and cameras. It is a bit of an inconvenience, but it is not bad. In the Legislature, when the herd leaves upstairs, it is something that is noticeable. I would not want to be sitting in the gallery when somebody decides there is a hot story outside. There would be about eight camera crews going over your lap.

On one or two occasions we actually have had what were considered to be physical problems when there was a demonstration upstairs and the entire media crew went up the stairs. The stairs are a little old, a little rickety, and there is wood up there. We are not too sure whether anybody can walk across it, let alone that it can stand that stampede.

There is that physical problem: an annoyance to the members; a disturbance, obviously, in the gallery. What if we suggested to you that you are free to come and film the question period but you stay for question period. Would that be bad?

Ms. Cino: Yes.

Mr. Chairman: Then how do we answer the members who say, "When I get up to ask my question the entire camera crew delegation up there leaves"? You have some rights to access, but others in the gallery also have some rights and so do some members. How do we resolve that one?

Ms. Cino: It seems to me our television delegate colleagues get the the worst blame for this. It also happens with the print reporters.

Mr. Chairman: Yes.

Ms. Cino: It also happens with radio. They go.

One way to visualize the electronic Hansard working is that it is running all the time. Your person is saying, "When do I get coverage?" It is there, it is available. If, in our judgement, they said something newsworthy, we will pick it up. Actually, we will have a better chance for the television people to pick it up. Your record of it is going, and that can go out too. There may be access for their local station to have it. It can help give you more of those couple of things .

What is envisioned that once the cameras feel comfortable with it, once its quality is established, if it were ideal they probably would not be there very much. However, they want to be there when they feel they need to be. As for the 20 minutes standing there for the leaders' questions, we did not put the leaders' questions at the top. We did not introduce theatre into question period. We just record what happens there.

Mr. Chairman: I would like to pursue these practical problems a little because they are the ones that members come to us with and want to have raised. When George Taylor was a minister he complained one day that his mother only saw the back of his head. That kind of thing would obviously be resolved by different camera angles.

Ms. Cino: Sure; it would be a benefit to us.

Mr. Chairman: Members do complain from time to time about this kind of activity or the scrum outside the chamber. I have to admit the first day I walked out the front door and was faced with all the press people, radio microphones stuck in your nose and television cameras pointing right at you, I thought it was not exactly ideal working conditions. It is part of the business, and after a while you become accustomed to it, but it strikes me that from time to time we are not particularly civilized in the way we go about our business.

Are there any suggestions from a business point of view? I am not sure why there are six camera crews upstairs doing pan shots for 20 minutes every day. I know everyone wants to be there in case someone falls over the gallery so someone will catch that. I understand that, but it strikes me there must be a better way to go about this.

I was enchanted with the idea that in Ottawa they apparently have designated photographers who stalk up and down behind the curtains. I am not sure whether we want to go that route, but are there practical ways we can resolve common problems here?

Mr. Coté: There might be if the electronic Hansard is fairly reliable. Automatically you would get less noise, fewer people moving in and out, and some members of the press gallery might even decide to watch question period or any other type of proceeding through electronic Hansard, through a monitor somewhere, just as the radio and news people do with the sound.

On the other hand, it would be fairly hard or impossible for a working journalist to accept a rule like staying within the confines of the Legislature without moving for the entire question period.

Ms. Cino: That is as much a problem as throwing us out. Staying there the whole time is the same problem.

Mr. Chairman: What I am looking for is some common ground that will resolve what are fairly legitimate beefs on the part of members about the gallery's desire to have access. There must be some common ground here that we have not explored very much. I do not recall many occasions when ordinary members of the Legislature get much of a chance to talk to the press gallery in a formal sense. If there are lots of solutions, we have never explored them.

What about on special occasions? For example, in recent times, when the government changed hands and we walked outside the door of the chamber into a maze of wires and cameras, that was a rather disorganized piece of business. Is there not a better way to set up shop, so to speak? Does everyone need to have his anchor booth out there? Do we need to have the wires running all over the place?

Mr. Coté: We trip over these wires too.

Mr. Chairman: You have the same problems we do. My concern would be that at some time some group of members will look outside the chamber, see that mess and say, "You are all going to get out of here," unless we find some technique to improve the way we go about it. Maybe we should spend a little time conversing about how we might give you access and resolve some of these practical problems that members have.

Ms. Cino: Maybe we can come up with some suggestions. During the change, we set up the interviews in the media studio to clear that area. It was an unprecedented situation; it is a wonder we did as well as we did and it was as organized as it was. A pool feed was set up, and each of the leaders went to the studio in progression. There were no interviews in the halls, and we did what we could to co-operate on that and to make sure of that. Members of the gallery could have been hurt in some of those messes.

I think we showed a lot of initiative in trying to clear the area through and do something about that. It is open.

11:40 a.m.

Mr. Chairman: One of the things we suggested yesterday in our first run-through of the draft guidelines for all of this was that a standing committee like this one be designated as being the group of folks who will look after these guidelines.

Would the gallery be interested in being participants, not in developing guidelines but in being contact points for media concerns, so at least we have a mechanism to talk to one another, and if members are complaining about lights, wires or whatever, there would be a place to try to work out some of that?

Ms. Cino: Certainly. The more co-operation, the better it is for us. We have our point of view and our interests about which to be ever vigilant, so it would be of benefit us to be in touch with you on those things.

Mr. Chairman: There is one final concern I want to raise. It has been brought to my attention on a couple of occasions now. There is no delicate way to put this.

Ms. Cino: Shoot.

Mr. Chairman: People put stories on air that are factually incorrect or outright wrong. They may not be dramatically so, but they misname the member, or they accuse someone of sitting there doing Christmas cards and it is the wrong person; they did not bother to check who was sitting in which seat.

Just last week, after we had spent a full legislative week debating the principle of Bill 30, the act to extend funding for Catholic schools, I watched a national network report saying the members here had never debated Bill 30 in principle. I have some concerns. I do not want to restrict anybody's access, but I think there is an obligation to get it right.

What do members do when something like that happens? Do we write letters to the Globe and Mail saying, "The national network did me wrong"? There is not much we can do in a practical way. Three people will read my letter to the Globe and Mail, and a couple of hundred thousand will watch the television clip of it. How do we resolve that?

To put it in context, if we were talking about Hansard and a mistake was made, I have the right to stand up the next day and correct the record, or if it is an electronic Hansard, I can go to a committee. Under our guidelines, we first go to the Speaker in chambers and then to a committee, but there is a mechanism whereby we can right the wrong, with access in the way we traditionally have had it here.

I would be remiss if I did not point out that this is one of the few chambers in the country that has provided for access in quite the way we have done it. In Saskatchewan and in the federal House, nobody ever took television cameras inside to cover daily affairs, although they might have on special occasions. It is a rather unique situation here. Are there mechanisms whereby we can make those corrections?

I guess there is not an obligation to know what is going on at the Legislature, even if you are a reporter here. We are all free to be as ignorant as we want, but if we are purporting to record the proceedings, you have a professional obligation to understand how the Legislature works and to report accurately. When you do not do that, how do we correct it?

Ms. Cino: A lot of members take the opportunity to make a statement in the House. They hold up a newspaper clipping and say, "It named my colleague next to me, who was in my chair, as the person writing out Christmas cards with my name on it."

Mr. Chairman: And the Speaker always says: "That, of course, has nothing to do with my role or with the business of the House. Thanks a lot. Sit down."

Ms. Cino: Often he says it after the person has made the point.

Mr. Chairman: Yes.

Ms. Cino: I understand what you are saying, but electronic Hansard is not going to give you control over accuracy any more than the current procedures, because the clip can be taken, and the electronic Hansard clip can be as well. What you are talking about is the kind of control over accuracy that cannot be controlled--

Mr. Coté: That deals with everyone's integrity.

Ms. Cino: Yes.

Mr. Sterling: May I interject here, Mr. Chairman?

Mr. Chairman: Yes.

Mr. Sterling: If there is an electronic Hansard, and I or any other member of this Legislature is misquoted, then I can get a tape and find out what came before and after.

Ms. Cino: The same as you can in print now.

Mr. Sterling: Yes; but if I am sitting in my seat with my shoes off and my feet on the desk, that would not normally be transmitted, and maybe it should be. Maybe that is a bad example, but what I am saying is, if you take a clip out of what I have said and that is not there for me to go backward and forward, or it refers to something that transpires, some activity in which I am involved, then I have no way of defending myself.

Mr. Chairman: To put it a little more precisely, yesterday, for example, we ran through the first draft of guidelines of how the cameras would function and what kind of shots would be taken, all of which was very nice for us to do, keeping some measure of decorum, as they say, about the proceedings of the Legislature.

If at the same time as we are being meticulous in how we select the shots and how we present the business of the Legislature, as we are being absolutely squeaky clean about the decorum of that, upstairs in the gallery CFTO is shooting somebody picking his toes, we defeat the purpose of the exercise. We are going to have to come to grips somehow with that slight conflict.

Ms. Cino: But you do not defeat your exercise. Our exercise is different from what you are trying to achieve. Our exercise is the same exercise as the reporters covering this committee are doing. The function and the role of the press is not going to change because of electronic Hansard, and that is what we are trying to argue. If we believe that in this country we have the right to take pictures of people picking their toes, then that is what I thought we believed.

Mr. Chairman: It is difficult to judge this. The first thing every politician here would say is that the press and the media in general should have access to whatever proceedings are going on; but we seem to fall on hard times when we come to the practical problems, the glare of the lights, the positioning of the cameras, the kind of shots that are taken.

In truth and in fairness, in what is almost a decade that I have been a member here, I would be hard-pressed to give you five or six examples of people I thought abused their access. When the cameras were first admitted to the Legislature every network and every station did its cute little number about somebody reading a newspaper and somebody else not sitting correctly in his or her seat. After they had got over that phase, they went on to report whatever the news story was. Those are concerns you will hear again and again from different members.

We are getting near the end of the morning. A couple of other members had quickies.

Mr. Treleaven: We seem to be getting back to that old

question we have not determined; namely, what we are trying to do with this electronic Hansard or televised proceeding or whatever name you want to put on it. We are back to the question of whether it is an extension of the mike only or a television presentation that shows the constituents in Ontario what goes on in the chamber and explains it in an understandable fashion.

Which of the two are we going to be? The Liberals now seem to be coming down this morning on that narrower extension of the microphone. We seem to be breaking out into teams here. Is that what we are dealing with, or are we having a presentation?

Mr. Chairman: I would like to focus it a little more clearly than that. We have to make, as Rosemary says, an important distinction between the two exercises. One is an electronic Hansard kept by the Legislature for whatever purposes, to educate the public or whatever. The other is the continued access of media of all sorts to cover the proceedings in the way they see fit.

There are two things at work here. You may address yourselves at some point to saying, "Because we have put in equipment that provides an electronic Hansard, certain kinds of media will now be excluded from having access to the House." That is the problem we have to wrestle with.

Mr. Treleaven: I want to ask Rosemary if the TV coverage in the House would be less if the televised proceeding was a more flexible, more understandable presentation than if it was a restricted, sterile, electronic Hansard that was just an extension of the microphone. Would there be less TV coverage and disturbance in the gallery in one instance as compared to the other?

What I am trying to get at is, if we are talking about the sterile position and then the cattle herd running, if you make the one more understandable and call it a televised proceeding rather than an electronic Hansard, would there be less of a cattle stampede because you will take more of the feed since it is more understandable?

Mr. Coté: It depends on the quality of the electronic Hansard and the way it is done. We still have to see what it is before answering that question properly.

11:50 a.m.

Mr. Treleaven: It will partly depend on quality; that is what you are saying.

Ms. Cino: Yes.

Mr. Treleaven: If it is top quality with almost studio-camera quality, you are less likely to be in the gallery. You are likely to be there less often, with fewer cameras and less stampede.

Mr. Coté: It again depends on the news situation. It depends on what the story is all about. With some stories, watching the reaction of people who are listening is as important

as what is said. There might be a need for a member to be there despite electronic Hansard and despite everything.

Ms. Cino: It seems that the most beautiful pictures, if they do not include the guy falling off his seat in reaction to--

Mr. Coté: It is pretty hard to judge. It is the nature of the story itself.

Ms. Cino: It still comes back to our independent judgement. Poor-quality electronic Hansard is not going to help.

Mr. Coté: On the other hand, the members might have a need to have a separate broadcast or program close to what is done in some jurisdictions.

Mr. Bossy: As to what you are really saying here, I think it is going to take time, maybe only a short time, for you to judge the quality of the electronic Hansard. The excitement that might be in the House will be there whether it is electronic Hansard or your cameras. If the cameras are on the people who are in the action in questions and answers, the words will not change because the words are there and the action and the gestures and everything else will not change.

In the meantime, you will be judging whether you need to be up there and then run down. You might be down the way--I am saying down the way; it could be that after experience you may feel: "We can devote our time just to the scrum. The electronic Hansard is picking up 90 per cent." It could be the odd occasion that something happens.

Ms. Cino: That may well be, but what we are talking about is having the choice and continuing to have the choice.

Mr. Bossy: I can agree with that.

Ms. Cino: Optional.

Mr. Bossy: We have regulations for people in the gallery. We have guidelines for the members. It seems strange that we would not have guidelines for the media. Would they be an exception to the rules? The Speaker is the one who really wants to maintain decorum. In a civilized world, we should have decorum in this Legislature or in any other House that governs.

You are going to have some chaos and then it is incumbent on the Speaker to bring order. We are going to wrestle with this for a while. Our duty is exactly what Ms. Smith said. We have to try to present it from gavel to gavel, which is going to be on television from start to finish each day. It can be dull as hell and most of it is, but we are going to present it and we are wrestling with it in the best way we know how. How you fit into the picture and gather the news from what we put out really should be your business.

Ms. Cino: That is what we are saying.

Mr. Sterling: I do not know what the committee is going to decide as to whether you retain your access in the committee rooms or in the chamber. I see a real physical problem with the committee rooms. It has been quite uncomfortable this morning when you have had three or four cameras. In the separate school funding hearings, it has been quite uncomfortable as well. It seems that if there is one camera, it can move around and dodge around the members. Would the press gallery agree that in that situation it would understand limited access because of the physical makeup of our committee rooms?

Yesterday we talked about putting the setup in the Amethyst Room for hearings that would attract some debate. In those circumstances, where there is significant interest, it would be fairer--the coverage is quite unfair in this room because of the fact that you cannot shoot down and, therefore, all you get is a sort of glow from the back of McCaffrey's head.

Mr. McCaffrey: Hey.

Mr. Chairman: (Inaudible) applying makeup, I do not understand the problem.

Mr. Sterling: At any rate, if the committee agrees to the other, I would hope you would understand that in the committee rooms, especially the Amethyst Room where we have other hearings, when we turn on the electronic Hansard, we would be satisfied with that. How do you feel about that? Have you talked about it at all?

Ms. Cino: We did not get into a discussion among the members of the gallery about how we would like to live with what is going to happen in committee meetings but certainly we can take it back and thrash it through. It is an item we can negotiate.

Mr. Chairman: I take it from your earlier comments that the gallery would be interested in continuing this conversation along those lines when we get to the practical problems of how we might try to work out access, what that really means and the physical stuff and the layout and all of that. We are obviously interested in trying to do what may be the impossible of providing you with continued access along the lines of what you have had and at the same time trying to resolve some of what I feel are valid problems that have been presented to us by members. Maybe we cannot keep everybody happy but we will attempt to try to find common ground if we can.

We want to thank you for appearing here this morning. We will have the Speaker in this afternoon at 2 p.m. Thank you very much for your presentation and for your restraint.

The committee recessed at 11:56 a.m.

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Government
Publications



STANDING COMMITTEE ON PROCEDURAL AFFAIRS AND AGENCIES, BOARDS
AND COMMISSIONS

TELEVISION IN THE LEGISLATURE

TUESDAY, AUGUST 13, 1985

Afternoon Sitting

STANDING COMMITTEE ON PROCEDURAL AFFAIRS

CHAIRMAN: Bréaugh, M. J. (Oshawa NDP)
VICE-CHAIRMAN: Mancini, R. (Essex South L)
Bossy, M. L. (Chatham-Kent L)
Marland, M. (Mississauga South PC)
McCaffrey, R. B. (Armourdale PC)
McClellan, R. A. (Bellwoods NDP)
Morin, G. E., (Carleton East L)
Newman, B. (Windsor-Walkerville L)
Sterling, N. W. (Carleton-Grenville PC)
Treleaven, R. L., (Oxford PC)
Warner, D. W. (Scarborough-Ellesmere NDP)

Substitution:

Smith, E. J. (London South L) for Mr. Mancini

Also taking part:

Edighoffer, Hon. H. A., Speaker (Perth L)

Clerk: Forsyth, S.

Assistant Clerk: Decker, T.

LEGISLATIVE ASSEMBLY OF ONTARIO

STANDING COMMITTEE ON PROCEDURAL AFFAIRS AND
AGENCIES, BOARDS AND COMMISSIONS

Tuesday, August 13, 1985

The committee resumed at 2:15 p.m. in room 228.

TELEVISION IN LEGISLATURE
(continued)

Mr. Chairman: Mr. Speaker is our witness this afternoon. We wanted the opportunity to invite him to talk over a few things with the committee.

I should tell you before we begin, Mr. Speaker, that we have had an opportunity to go to the federal Parliament to see how electronic Hansard is administered there. It is an impressive and expensive system, one that obviously serves the national Parliament well. It would not be unfair to say we saw one or two things that might be improved a bit.

We were perhaps a little more impressed with the system we saw at work in Saskatchewan. It is pretty well an automated system that seems to have guidelines that are a little freer in terms of presenting a coherent televised record of the business. That was one of the problems we saw with the federal Parliament. Its restrictions as to how the proceedings are televised are quite tight. In Saskatchewan they have gone a little further in presenting something that is understandable. They use graphics more and it operates with fewer people and for a lot less capital expenditure initially and operating expenditure thereafter.

This morning we had the opportunity to discuss access and things of that nature with representatives of the press gallery. We have really done only a rough first draft of the guidelines that might be used. We would be interested in your comments on the implementation of televising the proceedings, on any areas where you would like the committee to spend some time and make some recommendations.

Obviously, you will be critical to the role of whatever the end product might be, whether it is what we laughingly call electronic Hansard or some different version of that. We are asking your advice on the problems you see and the things you would like us to consider. We would appreciate any comments you have about anything having to do with televising the proceedings.

Mr. Speaker: Thank you for asking me to share a short time with you this afternoon. It is a different feeling sitting at this table than it was in the past few years when I was sitting with the committee. There was the odd occasion when we were somewhat late in starting--about every meeting. I appreciate the opportunity to make a few comments. I understand I will probably be grilled with questions this afternoon.

I guess this goes back to the final decision made by the Board of Internal Economy and how quickly it finally came about. Since becoming Speaker, I have reviewed the minutes of the board, and this has been going on for a number of years. I was glad when the motion was passed by the board to make a decision on this on-again, off-again program in the Legislature.

I am amazed by how uninformed the general public is of what takes place in this building. I will give you a simple example. When I was in my home town last February, I believe it was, where I have a small business, I wanted to get the windows washed and I went out to wash some windows. One of my constituents came up to me and said: "I see you are trying to earn a little extra money. Mulroney is not paying you enough." I think that is a typical example of what a lot of people think of Parliament. They think mainly of Ottawa. I really feel this will be a great step towards informing the public.

As you know, the technical aspect of electronic Hansard will be handled through a project officer who, I hope, will be appointed near the end of this month. We are just waiting for proposals to come in and we will also have the assistance of TVOntario. I do not think you mentioned the Quebec system. When I was in Quebec at a conference not too many weeks ago they had their cameras grinding away with individuals standing there. I hope that is completely out of the question because to me that is very disturbing to have someone standing in the chamber right behind you manning or personing the cameras. I hope this will be a system similar to the one in Saskatchewan or the House of Commons.

It must be an informative and educational program. I think that is really the main purpose, and I feel very strongly that it must be mainly close-up shots. I like the idea of captions. I know some people may say that it appears like a foreign film or something like that, but I think that would be very informative to the listening audience.

To comment briefly on the cameras that are now in the Speaker's gallery, they have been in for some time. I presume you have read the guidelines carefully; they are so brief. The guidelines say: "Television coverage of the Legislative Assembly is permitted for the sole purpose of filming or taping the proceedings of the House. Under no circumstances is the legislative chamber to be used as a backdrop for coverage unrelated to the actual proceedings of the floor of the House." I think there have been times when the cameras move around to the galleries when people have been chained to the railings, etc., and that really is not in the guidelines.

The reason I wanted to make a comment is that, first, from where I sit, I quite often see cameramen moving in and out of the gallery. I know there are not many times when there are a lot of people up there, but there are certain times when I sit on the edge of my seat when I see someone balancing a camera on his back, particularly when there are three rows up there. I wonder if there is some suggestion, if the committee decides they should stay, that they should stay for a certain length of time, rather than going and coming whenever they want.

The other thing I have noticed is that we have a console for the microphones. I do not know whether any members have noticed, but on a number of occasions the wrong mike is put on because of the angle from which those people are looking at the members. I am wondering if it were computerized, as it is in Saskatchewan, whether that would get it directed to the right person.

Not too many days ago I was looking at some proposals to rearrange the chamber because of the crowded conditions, to which a number of members have referred. Certain proposals have been drawn up for discussion. I noted one of the proposals was, with electronic Hansard in particular, that console may have to be moved to the centre of the gallery. That is just a suggestion, but I noted it was suggested in the plan. I hope you take that into consideration in your discussions and before you come to any definite conclusion. That is really all I have to say to start. I know there will be questions and I will be glad to try answering them.

Mr. Warner: Thank you, Mr. Speaker, for giving us some of your time this afternoon. I have a couple of questions. First, you made reference earlier to a project officer. Has the Board of Internal Economy already hired such a person?

Mr. Speaker: No. People at TVOntario recommended a project officer be hired because they felt they did not have the full expertise to do that.

Mr. Warner: Yes.

Mr. Speaker: I know what we call the director of communications in the Office of the Assembly is now discussing this with, I believe, three different firms. No one has been hired yet.

Mr. Warner: However, they are actively pursuing hiring an individual.

Mr. Speaker: That is right. I do not have it with me, but I believe there were minutes on the last Board of Internal Economy meeting indicating up to \$15,000 should be set aside.

Mr. Warner: Presumably, if they have been pursuing it, they must have given the prospective employee some idea as to the function.

Mr. Speaker: No, not yet. Actually, to my knowledge, the communications director has discussed this with an individual from one company. The two of them are setting out such a proposal, strictly from the technical side.

Mr. Warner: So as far as you know, they are not suggesting a particular way of operating or what kind of responsibilities this individual will have.

Mr. Speaker: No.

Mr. Warner: It is all exploratory.

Mr. Speaker: That is right.

Mr. Warner: Obviously, we would be able to obtain the names of the companies involved and who is doing the interviewing and so on.

Mr. Speaker: I understand, once this takes place, the Office of the Assembly and this committee will be working together on it.

Mr. Chairman: Mr. Speaker, maybe I should point out to you, when we went to Ottawa and Regina we tried to gather whatever information they could make available to us about the kind of equipment they had, techniques they used and things such as that. Therefore, by the end of August I hope we will be in a position to provide you with whatever information people made available to us. That might be useful in your deliberations about hiring staff, looking at different firms, types of equipment and things such as that. It is not quite within our purview but we have the information. We are going to share it with you whether you like it or not.

2:30 p.m.

Mr. Speaker: In one memo to me it was suggested, when someone was hired, that person and the director of communications may want to go to Saskatchewan then. However, I will certainly accept your advice and suggest they should look at your material before they go. Maybe there will be enough there; I do not know.

Mr. Warner: One concern the committee has had is, when you have set up a process of televising the proceedings, there should be an opportunity for regular review of what is happening and a chance for members to express any concerns they might have. The guidelines adopted by Saskatchewan state: "The guidelines shall be enforced by Mr. Speaker. Specific complaints by members regarding the televising of the proceedings in the Legislative Assembly should be raised with Mr. Speaker in the Speaker's chambers."

Do you feel that would be an appropriate way for us to proceed here? Do you feel comfortable with that kind of process?

Mr. Speaker: I think any member should have the right to bring it up, either there or in the House. I see nothing wrong with that.

Mr. Chairman: Correct me if I am wrong on that but I have found, in talking to members, they felt they did not want to raise points of privilege about where a television camera is positioned or points of order about whether the lights are working. They felt a better process would be simply to go and talk to Mr. Speaker. If you have a small problem that needs to be resolved, you can do it better that way. If there is a larger problem, there is a committee of the Legislature, chaired by the Speaker, which can review guidelines, which it is about to do again.

Mr. McCaffrey: I had a specific question dealing with the matter before us but I was intrigued by Mr. Warner's line of questioning. May I just ask you, Mr. Speaker, for some clarification? The director of communications is Mr. Mitchinson, who has been empowered by the Board of Internal Economy to hire a project officer to deal with the matters that are now before this committee.

Mr. Speaker: The technical matters recommended by TVOntario.

Mr. McCaffrey: I am not sure why I am upset about this. Let me try to give a specific example; I am not that sophisticated. As I understand it, it is open-ended, there have been some interviews but there has not been anyone hired. However, it is possible that somebody could be hired at four o'clock today and tomorrow might go to Regina. Ten or 12 of us just got back from Regina. The person who could be hired as a project officer to handle this whole matter of electronic Hansard would have been hired totally in a vacuum away from the work of this committee, not only in the last six or so days but in its previous incarnation.

I want to be educated and I want to be corrected. Am I being paranoid? Am I seeing something happening quite separate and apart from the work of the members of this committee?

Mr. Speaker: No. I think you received the letter from TVO, did you not, regarding the technical aspect?

Mr. McCaffrey: Yes.

Mr. Speaker: That is all the director of communications is really involved in.

Mr. Chairman: TVO has been invited to come to try to clarify it. We understand there is a little problem. This committee obviously is not a budget committee and does not go out and buy equipment or implement changes of that nature. The board will do that, and the assembly and the office of the Speaker. There is a need to co-ordinate efforts.

On my own hook, I made sure I went to visit Mr. Speaker. We had a little session with the Board of Internal Economy so we would not get what you are fearing, that is, that somebody would get hired over here and go and do what we did just last week. We are making the effort to make sure that everybody trades pieces of paper, that we know what is going on.

It is not going to be quite as clean as I would like it but we have different jurisdictions. The board will set a budget and the office of the Speaker will probably have this broadcasting feature in its budget from this point on. We are trying as best we can to co-ordinate so that everybody keeps the others informed. Mr. Mitchinson, for example, is following the proceedings of the committee.

Mr. McCaffrey: I respect that and thanks, Mr. Chairman, both to you and to Mr. Speaker. I wonder whether it would make me as a member of this committee a little bit happier if I felt assured no project officer would be hired until this committee had reported. Is that unreasonable, I ask each of you?

Mr. Speaker: As Tom just mentioned, perhaps I used the wrong term with "project officer;" perhaps the word "consultant" sounds better. As far as I can see, you have part of your package almost ready now; so you should have it ready by the end of August. Is that correct?

Mr. Chairman: One of the things that struck me, and we have not had a chance to kick this around in the committee yet, is that when we were in Saskatchewan they gave us their package of how they implemented it and whom they hired. I am not sure whether the title was project manager, but in essence someone did the same kind of thing.

Gary Ward, for example, struck me as being a person who was pretty valuable to their process because he had worked at it right from the beginning when a committee of the Legislature said it wanted to televise the proceedings. They hired a person who had knowledge of the equipment, who went through the consultants and who stayed on afterwards subsequently to manage the process itself.

Most members of the committee were rather impressed that someone had followed it all the way through the process and was operational afterwards. One of the pieces of information we are going to stick in our report is the information Saskatchewan gave us about the engineering firms and the kind of consultants they used.

They did it rather quickly. Once they made the decision to proceed with televising their assembly, there were not a lot of reports subsequently. We have that material, and it will be part of the report. You may have it now if you want.

Mr. McCaffrey: This is a very small point, and I want to move on. I am trying to be constructive. At this stage of the game, is it not reasonable that the committee be quite clear that no officer, consultant or audio-visual aide be hired until this committee has reported? Hell, we are talking about a matter of days.

Mr. Chairman: It seems reasonable to me that we would not do the actual hiring of someone until--you said the end of August and I said I would like to have this committee's report done by the end of August. That would be a reasonable way to proceed.

We cannot tell the Board of Internal Economy how to order its business, just as the Board of Internal Economy cannot tell us how to order our business. It is tat for tat.

Mr. Speaker: I did state that nothing would be done until at least August 26.

Mr. McCaffrey: I am saying this in the most constructive way I can, and I am not trying in any sense of the word to see something sinister here. I do not think there is anything sinister happening. It is just that I can recall some sloppy things that happened in the past. This is, I am sure, not one of them.

It would be sloppy, in my judgement, if actions were taken to hire someone to implement a program that a committee has been mandated to investigate and to explore. We are satisfied at least that our work has accomplished something. If nothing else, it has saved somebody some legwork.

We are under no illusions that we are going to hire the consultants or the lighting technicians or any of that stuff, but it would be professional and courteous for each of the members of this committee--I can only speak for myself, but for me as a member of this committee--to feel that our work and our final report was at least looked at before anybody was signed on to implement some of the ideas contained in our report.

Mr. Speaker: If you can have your report ready by the end of August, I do not see any problem there whatsoever.

Mr. McCaffrey: I want to move on to a more specific thing which is germane to what we are all about.

Mr. Speaker, you have been around here a long time as a member, as Deputy Speaker and now as Speaker. You have been in other jurisdictions, some with television and some without television. Would you feel comfortable in being candid here--and if you did not, I would respect that--about what reservations you have about, unlike Ottawa, a fairly loose set of guidelines that would allow pretty broad coverage of the activities within the assembly? I am talking about split-screen or reaction shots, shots of people in the gallery setting fires or whatever else they might be doing.

If you felt comfortable doing that, I would gain from your experience and your wisdom to see what reservations, if any, you might have about quite a loose set of guidelines to direct the electronic Hansard.

2:40 p.m.

Mr. Speaker: It is not that tough to respond to that. As I said in my opening remarks, I felt it should be there to be informative and educational, pertaining to the business of the House. What I meant by that was that it should be strictly the business of the House, not what takes place in the gallery or who is sleeping or which seat is not filled. It should pertain strictly to what is taking place, which in turn means what is being said.

I am not keen on the split screen. I am more keen on the informative process, saying what is taking place. In the evening we often go in and on some occasions the Speaker does not even say what is taking place. People in the gallery are not even aware of what is taking place. If it is informative, that is fine. To be

informative, it has to be directed directly at the individual taking part.

Mr. Chairman: I will pursue that on behalf of some of us who were talking about it yesterday and today. One of the things that struck us as odd was that in the federal Parliament there are no written guidelines, but rather stringent practices have evolved over the years. Only certain types of shots are taken. We liked the Saskatchewan method because they had taken the time to write down their guidelines. Whether you thought they were good or bad, at least you could have an argument about them.

We took our first trips through those drafts yesterday and got involved in discussions about the use of various television techniques. In part, we were not clear ourselves. For example, when we talk about a split screen, do we mean a shot of the member with a graphic that explains what is being discussed at the time, which is a split-screen technique, or do we mean showing two members in debate? God forbid that debate should ever break out in this place, but we are looking at various things of that nature.

I do not know whether there was a consensus in the committee, but there was some willingness to look at something other than just a head-and-shoulders shot of a person speaking all the time. That is reasonable. In the Saskatchewan process, they have some variations. When somebody speaks for 15 or 20 minutes, there is not only a head-and-shoulders shot for 20 minutes; there are two or three variations on that and some different camera angles as well as a little logo explaining what is under debate. They are moving in that direction.

We were interested in whether stringent guidelines are appropriate. In the federal Parliament, sometimes the procedures televised make no sense to people watching. They do not understand that the Speaker is calling for order, which means there is some disorder somewhere. We watched a member get named, but in the odd way parliaments work, he never was named. They spoke of his seat, and unless you knew that, you would not know who it was. The Speaker named the member but never gave his name. That is tricky, but parliaments can do it.

As a committee, we were trying to sort out what would make a difference. We agreed yesterday that in the text of our report, we will have to say what we mean by decorum or what atmosphere should be present in the House. It is easy enough for us to say we are not interested in shooting a demonstration in the gallery--that is not what televising the proceedings is about--but how you would televise the proceedings may be an interesting question.

We are trying to elicit from you, since you will be sitting in the chair and will probably hear the complaints in your office, whether you think we should be very tough in allowing only one or two kinds of shots to be taken or whether we should give a little more latitude. Should we try it on for size to see how the members react and to see whether we are pleased with the end product?

Most of us are aware that we are unusual in having had television cameras in the House for almost a decade. One cannot

say they have been there with absolutely no guidelines, but there has been very little enforcement. I recall one or two occasions when the Speaker asked the camera crews to shut down, and that is about it. They have been given free rein. Do you have any preference in that range of options?

Mr. Speaker: You mentioned the split screen. It is almost too bad if you have one side of the screen with the member speaking and the other side of the screen saying he is talking about such and such a bill. What does that mean? Is he on the subject? Can people not understand what he is saying?

Personally, I would like to have tougher, direct coverage to start with. When I think of the work that has been done in the committee in the past and the changes in some of the other rules--in other words, closing in the speaking time and some of those things--that might be of assistance.

Mr. Chairman: What it will come down to is that at some point in time, no matter what guidelines we put together, we will probably want a little testing period where we will run it for a month or so under those guidelines and then review to see whether we are providing something that is useful and informative and that the members find a reasonable way to proceed.

Maybe I am out of turn here, but I sensed the committee was not terribly happy with the fact that there are no written guidelines in our House of Commons and that the practices are quite restrictive in terms of the types of camera shots that can be used. Most of us felt you could at least open it up a little.

Again Mr. Bossy, among others who have had some experience in the federal House, can give you pretty good reasons as to why you should not be too loose on it.

We will probably be looking for some middle ground there. If we can describe it, good luck to us.

Mr. Bossy: Even though the statement was made concerning there being no written guidelines, we never did get to speak to the Speaker of the House, who has been pretty well the head of everything that goes on in that House. I would like to have further information from the Speaker of the House of Commons in relation to this, because we are making that statement based on Ivan Barclay's statement, I believe it was.

Mr. Chairman: No. Excuse me. For example, no amendments to standing orders were made. No written guidelines are provided to television crews. The staff do not have them. We did ask them, and apparently they are working on some guidelines, but there are no written guidelines yet either for the electronic Hansard or for the members.

Mr. Speaker: That is what I understood in the report on the reform of Parliament, that they were working on some.

Mr. Bossy: On a different matter--I might have missed something; forgive me for having been late--it sort of bothers me

that the August 26 date has been mentioned. Were we as committee mandated to return with the report by that date? August 26 suggests to me that either you come in with suggestions or we will have gone beyond that. Did I miss something here?

Mr. Speaker: We have been asked by the House to go ahead with electronic Hansard. As I understand it from talking to some of the committee members, you want it implemented as quickly as possible. Therefore, we are trying at least to have a consultant ready by the end of this month to sit down and start working on it. It is not going to happen overnight. I know it would be nice if it could be done in four months, but you will probably have to think in terms of a year and four months.

Mr. Bossy: That was the intention of the committee, to come back with a report as quickly as possible so it could progress. Where did the August 26 date come from that has been mentioned here?

Mr. Speaker: We are following the Board of Internal Economy's suggestion to go ahead and hire a consultant. We picked that date out of the air as the earliest possible time.

Mr. Chairman: This is not a major problem. All of us who have looked at this understand there is a lot of technical work that must be done.

For example, our committee could say we liked the way it was done in Saskatchewan, but somebody is going to have to say: "The optimum would be five cameras or seven cameras. The optimum light level would be such and such. The specific light levels for tendering purposes would be such and such. The equipment could be ordered from these places; these folks could tender for it." There is a lot of that kind of work that has to be done.

I still maintain that this committee will be finalizing its report pretty close to the end of August. I do not guarantee it will be in the Clerk's office on August 26, but it will be somewhere in the neighbourhood of time before the beginning of September. I hope we will be able to table a report establishing our preferences, guidelines and things like that. However, there is still a lot of technical work that has to be done after that point.

2:50 p.m.

Mr. Warner: I appreciate that and I appreciate that the Board of Internal Economy wants to co-operate in getting television in as speedily as possible; that is great. In any of your deliberations, did you have discussions with TVOntario? If so, are there any particular assignments that were agreed upon between the board and TVOntario?

Mr. Speaker: To my knowledge, there have been no discussions between the board and TVOntario, only between the communications director and TVOntario. As I recall the letter, the only thing they agreed to was that they would be supportive and would be willing to act in the same way as the Canadian

Broadcasting Corp. does for the House of Commons. They would be the body that would apply for the licence. Am I right on that?

Interjection Yes.

Mr. Chairman: In the interim, you may not have it with you today, but I believe members of the committee did get the correspondence that went from TVOntario to the board. You may recall it was a long letter, which basically outlined how many households are covered by cable in Ontario, their distribution system and that kind of stuff.

Mr. Speaker: Yes. They indicated they would be very supportive in getting the signal out through Ontario.

Mr. Warner: That was the extent of the relationship between the board and TVOntario?

Mr. Speaker: To date, yes.

Mr. Warner: That is fine.

Mr. McCaffrey: I do not want to overdo this, but I am having some difficulties with this, and my difficulties could easily be laid to rest. Let me be blunt.

I have a growing feeling that an awful lot of things are in place following a meeting at the Board of Internal Economy back in July, and that is okay. They, we, all of us see some urgency to this. I can address myself only to what we on this committee approached with some urgency and a legitimate desire to come back here as rapidly as possible with recommendations that were designed, as I see it, to direct the Board of Internal Economy. There is the rub. The Board of Internal Economy sees itself as directing us.

I will tell you why, and there is also a bit of irony here. We are also the committee charged with the matter of appointments to agencies, boards and commissions. If we are going to lie down and die on day one on the hiring of a consultant over the matter of electronic Hansard, I god-damned well want to know that.

I appreciate the subtleties about the power to spend, the difference between governments and people such as ourselves, but I have difficulty as a member of this committee genuinely believing that we were charged with the responsibility not of just recommending electronic Hansard, which was the wish of the bulk of our legislative colleagues, but also with the hows and whys. We approached it always on that basis.

I am not being overly paranoid when I see the hiring of the person to implement this as being very central to what we are all about. That the person might be hired before we report is monstrous to me. I have genuine difficulty with that, because then I ask myself how the hell we are going to proceed on the other matters that are equally important and that we are equally anxious to attack with some urgency and which I believe are far more important than this.

It is a small issue except it is coming at a very bad time.

Mr. Chairman: I see your point.

Ms. E. J. Smith: As a member of the Board of Internal Economy who has managed to attend two meetings for the first time, along with a couple of other people, I think you are looking in the bushes for something that is not there. If I had anticipated that we were being seen as interfering, I would have spoken up on your behalf. We are a group of people who, like many others, are trying to implement and not to interfere. You can rest assured on that point and that there need be no further discussion. The chairman of the Board of Internal Economy is here and I am here. If this is seen as interference, it was never intended to be that way.

It could have been quite the opposite, that you would have been very grateful to have someone with some technical expertise to assist you at the time of writing your report. That is what I would have thought would have been more likely.

I, for one, am very clear on the prime role of the elected people as opposed to the people who are hired to serve them. I think members need not be concerned that the Board of Internal Economy was intending to interfere.

Mr. Speaker: I would add that the board stated at one time it thought the people from TVOntario should be the people to advise the Speaker. I just checked the notes here and at the present time I understand they are in the process of introducing a French channel and have employed the services of Currie Coopers and Lybrand. So we felt, and they suggested, that probably would be the place to start: talk to them and from there talk to two or three other people who have the expertise. That is really the stage we are at now. Is that clear enough?

Mr. Morin: Will these guidelines or whatever decisions we come to be subject to input from other members?

Interjection: Oh, yes.

Mr. Chairman: I stand to be corrected because the committee has not dealt with it but this committee has a reasonable idea of what it would like to do. Some details have to be argued out, and we will do that. But I sense from our work last week that we have come up with a concept that we like, a means of providing coverage of the proceedings that seems reasonable to us. We have some work to do in committee to go over guidelines and nail those things down but we can provide you with the opinions of at least 12 members on how to go about this.

At that point, there will be a need to get some expertise on technical matters and a number of other things that will have to be considered. However, I would still hope that close to the end of August we could give you a report that would be useful to the board. At some point the remainder of the members will want to have that report and express their opinions.

I am mindful that several of the people we spoke to said, "Even if you had made all of your decisions right now, it is

probably going to take you four to six months to acquire the equipment and install it." Therefore, we are looking at a timetable which may allow us to do a testing period in the latter part of the fall session but it may well be the spring before a full electronic Hansard or coverage of the proceedings is well in place. That is roughly the time frame we would operate under.

Mr. Speaker: In answer to Bruce McCaffrey, I cannot see any difficulty. I would be glad to assure you that I would discuss it with the administrative staff to make certain that nothing will be done until this report comes out, because that is important information to have. Nothing will be done as long as you get something into my hands by the end of August.

Mr. Chairman: Our prime concern is that we looked at a system that was rather expensive and that--forgive me for saying so--would not be my preferred option. We looked at another system that was not inexpensive but was far less expensive and produced a record of better quality. As far as that general direction goes at least, we are anxious to have a chance to express our opinion about that. When we have a chance in the next week or so to sit down and go over what might go into a report, we will be able to do that.

3 p.m.

I do not think any of us can say, "We are going to have it done by August 26." I do not think you meant to say, Mr. Speaker, that you are going to start to hire staff by August 26 or 27 but in that time frame, and we are working along the same track here. Obviously, people are going to get upset and nervous if folks get hired, contracts are let and great technical expertise is brought in that no one is going to use. That is also a concern.

Perhaps the way to put it is that, having seen it operate in other jurisdictions, the committee is mindful that it is not hard to run out and buy all kinds of equipment that within a year you will say is outdated. We saw the equipment stacked up in the halls. We are just kind of red-flagging. You can spend a lot of money on this kind of thing. We are not opposed to providing broadcast-quality technical stuff, but we really do not want to blow a lot of money on this either.

Mr. McCaffrey: Mr. Chairman, I am very much assured by your comments and also those of Joan and Mr. Speaker. I just want you to know that paranoia, in my case, does not come from having only briefly been a member of the opposition. Paranoia of the kind I have felt comes from having been three years a minister, wrestling with decisions made by bureaucrats 24 hours earlier. That is true paranoia.

Mr. Chairman: Paranooids have enemies, we know that.

Mr. McCaffrey: I sensed an old feeling there, just for a moment, but it is okay.

Mr. Newman: You are talking from experience, are you?

Mr. McCaffrey: That is right.

Mr. Chairman: Say five Our Fathers and four Hail Marys now. Does anybody else have any questions for Mr. Speaker?

Mr. Sterling: I am sorry I came in late, so if you have said this already, I can read it. Mr. Speaker, is your office dealing at all with the general physical problems of this building? The fact is that this building is falling down around our ears. Are you going to do anything about that? I think it is relevant to our debate here today and the decisions we are going to make.

For instance, I do not know whether that ceiling will support additional lighting hanging from it, something as basic as that, and also the mechanical systems have to be totally revamped in this building. There is a lot of work to be done and I guess it will have to start from the roof and come down.

Are you addressing any of that? I do not want to be held up on bringing TV into this House because some bureaucrat, as Mr. McCaffrey has said, comes back and says, "We cannot do this until we put on a new roof and put all of the mechanical fittings into this building and further support the roof in the Legislature, because all those things need to be done."

I do not know whether you are pursuing that or not but I certainly think you, as the new Speaker, should be very well aware of those and should be pushing for those things to happen. Did you mention that at all?

Mr. Speaker: I did not mention that at all. However, just yesterday, I believe it was, I had a discussion with some people from the Ministry of Government Services regarding more tie rods upstairs and all this sort of stuff, and also the floor of the chamber. They are looking very carefully because something has to be done and it can be done only when the chamber is changed to make more room for seating because everything will be cleared out and then you could reinforce it in some manner.

We are looking at it and once a decision is made regarding the changing of the chamber to make more seats, what is underneath will be firmed up. To my knowledge, they are also looking at what is upstairs in the attic now.

Mr. Sterling: The point we are trying to make is that we are proceeding on a path and we do not want to be told no because there are these insurmountable problems that are going to arise.

Mr. Speaker: I have no idea whether the system of the microphones in the chamber is adequate now. I do not know if it is of high enough quality, but that is certainly something we are going to have to look at.

Mr. Chairman: Just to pursue Mr. Sterling's point for a moment among ourselves informally, we have had a number of discussions of how this might get done and I think one of the little caveats that we will probably stick somewhere in the report

is that we know there are a lot of things that need to be done around the building in a physical sense; repairs, renovations, and what not. We are going to be most unhappy if the vehicle for doing all of those is televising the proceedings.

We understand that when you are ripping up a floor to put in cable, you might just as well strengthen it at the time, but we would not like to see the price tag of \$40 million to provide us with television coverage when \$1.5 million is for the actual coverage and the rest is to redecorate offices, provide space for limos and all of that. Do you get the little caveat we are sticking in there?

Ms. E. J. Smith: Cost accounting will be in place.

Mr. Chairman: I think most members have been here long enough to know how things happen at Queen's Park. We are just red-flagging. We would be happy to recommend how you go about televising the proceedings and, if you want us to do so, we would be happy to recommend a 100-year master plan for renovations to the building, but we are not going to do it all in the same day. You will see that somewhere in the report, I am sure.

Mr. Sterling: If the Speaker needs the assistance of the committee in getting some of the repairs done, although it has always been under the Ministry of Government Services, I think it is becoming more and more a concern that the ministry has not fulfilled its mandate of keeping the building in proper repair. I think this committee would be most happy to help push for those repairs. I do not know whether it should be this committee or the standing committee on members' services, but I am getting to the point where I think a committee of the Legislature should be involved in the whole question.

Mr. Speaker: I do not know if that is particularly on the subject or not, but as I recall a previous Board of Internal Economy meeting there was a committee set up between Government Services and my office to review the parts of this building under the control of the Speaker's office or Government Services. I am hoping a report will come out within the next few months.

Mr. McCaffrey: If I may, Mr. Chairman, you and Mr. Speaker have both been exposed to this argument for a long time, and there must be an answer to this question: Why can not this whole building be under the jurisdiction of the Speaker?

Mr. Speaker: If you look in this manual, you can see that by order in council only certain sections--

Mr. McCaffrey: I do understand that, but why?

Mr. Speaker: I cannot answer that.

Mr. McCaffrey: There is not a reasonable answer, is there?

Mr. Chairman: The fact is, if the government chooses, as the previous government chose not to, by order in council or by

act of the Legislature, the entire building and all of the grounds could be put under the control of the Speaker, and there are those of us who have advocated that for some time. That would be a sensible way to proceed.

Ms. E. J. Smith: I am one of those who has not been exposed to the argument for years but was just briefly exposed to it and therefore has no opinion at this time. I can only add to what the Speaker has said, that we have asked for a report and we will be receiving one. That is the time for it to be addressed.

Mr. Chairman: Yes, I think so. One of the indirect matters we will talk about in our report is that somewhere there needs to be a chamber located for the broadcast booth. Some equipment has to be set up now. To show you the difference in approaches, in Ottawa they have a rather nifty addition to the chamber constructed thereafter; in Regina they took a broom closet and turned it into one. There are two radically different approaches to the whole problem. We are aware that somewhere in or around the chamber, if you are going to televise the proceedings, you will have to make room for some electronic equipment. That is going to be a problem.

Maybe you can help us. If we turn our minds to things such as that, even though it might not be quite within our purview, if we had comments to make about that kind of thing, would you be averse to hearing them in the report?

Mr. Speaker: Regarding the location?

Mr. Chairman: Yes. To tell the truth, what we would probably do at this time, and I am guessing, is the committee would say much like what I just said: that there are two models here for providing space for electronic equipment and we would ask you to opt for this model just to expedite the matter. There are certainly lots of 14-feet by 20-feet spaces in and around the chamber. If we happen to come up with one, someone else is going to have to kick in and say that it is an appropriate place to put it, or we could not handle the wiring there, or we cannot do without that space; someone else will have to voice yet another opinion.

Mr. Speaker: I do not think there is anything wrong with it. If I were sitting as a member of the committee, I do not know whether I could make a decision until I knew what quantity of equipment is needed and what sort of space is needed.

Mr. Chairman: About 14 feet by 20 feet; maybe a little larger.

3:10 p.m.

Mr. Speaker: At the appropriate time it would be a consideration but at the moment it might be difficult.

Mr. Sterling: How big is your office?

Interjections.

Ms. E. J. Smith: Actually, I think the New Democratic Party side is closer.

Mr. Speaker: Speaking of control of space, I do not even have control over the space I am in now.

Mr. Chairman: Are there any other matters that members want to pursue with the Speaker? I promised I would get him out of here because he has urgent public business elsewhere. If there are other matters, now is the time to bring them up.

Mr. Speaker, we will try to have that report in your hands as quickly as we can. I hope you will forgive us if it is not 4,000 pages long and glossy-covered. It is liable to come in with several appendices of information that we have picked up from other places.

I think we can give you guidelines that will be a useful focal point for discussion as to how to implement it. We have a reasonable concept in our minds of the kind of coverage we would like to see. I hope we will talk a little about access to the chamber for other media people. We may make some really off-the-wall suggestions you can listen to, throw out the window or do whatever you want with.

We were impressed particularly with the Saskatchewan model. One of the things that helped them a lot was that not thousands of people but rather a small group of people, members of their Legislature, made the decision, set up the guidelines and hired a relatively small group of staff people who followed the process through. There was considerable continuity. We found that to be a helpful experience.

Mr. Speaker, we thank you very much for coming. If the members of the committee would stay for a few minutes, we have a couple of other pieces of business.

Mr. Speaker: Thank you for the invitation.

Mr. Chairman: We have a timetable for tomorrow. We did succeed, we think, in moving TVOntario to Thursday's agenda. We have some other people who have offered to--

Mr. McClellan: What do you mean, you think?

Mr. Chairman: We know. I was being polite.

For tomorrow, we have four people who wanted to appear in front of the committee. I have a little problem in that there is a Conservative Party caucus meeting tomorrow. I may be turning a blind eye at a quorum.

We basically tried to schedule tomorrow so that we would receive information and be able to talk to people who will have an effect on the report but perhaps are not quite as central as some others. Tomorrow will be a kind of listening day for us.

On Thursday morning we will have a couple of people from TVOntario. At that point we may want to talk a little about distribution and access from outlying places, things of that nature. We perhaps also need to have another run through the guidelines and to set up a framework for the report.

The committee would help me a little if you would tell me whether I am really off base on this. I am assuming that in our private and public discussions we are moving in a general direction and that we are generally in agreement about the way to go about it. Am I right?

Mr. Treleaven: I would like to make a motion. I will not read out the whole thing but I will refer you to pages 656 and 657 of Hansard, July 10, 1985. I will just read one paragraph from 3:40 p.m. with the Hon. Mr. Nixon speaking. He is speaking of the standing committee on procedural affairs. He said:

"It was also suggested the committee refer to TV. I am told, and I should have known myself, this matter is going to be on the agenda of the Board of Internal Economy meeting on Monday. If the committee wants to deal with that, I see nothing wrong with it, but it seems to me the commitment to move expeditiously and economically to bring an electronic Hansard-type of television system in here has already been made. The agreement has been reached."

It goes on further and Mr. Breaugh spoke later. It was in the House. He attempted to get a clarification of the committee's authority to deal with this television. Whereas I do not believe we have the authority of the House, either implied or direct, and considering what I have heard here today, I move this committee cease its discussions of electronic Hansard or television in the House and refer the matter back to the Legislature or refer it out without any report.

Mr. Chairman: A motion is in order, but I ask you to put it in writing and tighten it a little so we can have a discussion.

Mr. Treleaven: I read it to try to get some feeling--

Mr. Chairman: It sounded close to a preamble to a motion, which would be out of order.

Mr. Treleaven moves this committee cease dealing with electronic Hansard immediately and close the books on this episode.

That is an unusual motion, but I beg your indulgence. The member has raised a pertinent point, and if you want to debate it, go to it.

Mr. Warner: Does the member intend to speak to the motion?

Mr. Chairman: I will take a speaking list now.

Mrs. Marland: It is difficult to speak to it without having the Hansard from which he was quoting. From what he read, I do not grasp an indication for the motion. I do not think I was under any misconception when I started as a member of this committee about what our job was to be. I felt the decision to have some form of electronic Hansard--possibly, I would expect, along the lines of some recommendations from this committee as to format and guidelines and so forth--had been made.

I felt very interested in being a member of this committee, to review how we might recommend that the implementation of electronic Hansard come about in the House. Up to now the meetings have been most productive. I commented on that this afternoon just before we started. I have enjoyed the constructive attitude of all members. I have learned a lot because it is a subject of which I had no knowledge. If I am going to be explaining to my constituents what we hope we will be implementing in the House and why this committee's recommendations came about, I feel privileged to have been part of the process.

I cannot understand a motion at this point to stop it. It is pretty hard to understand the motion without knowing where it was coming from, without having in front of me the Hansard to which the mover referred.

I would wish to continue with our responsibility and complete what we have started. It is beneficial to the House and the public because it will be done in a professional and equitable way for everyone concerned. That would be our goal.

Mr. Warner: Before I make my comments, I have a question. Is it your intention to speak to the motion, since you moved it?

3:20 p.m.

Mr. Treleaven: Yes. I can give a one-sentence comment. As you know, I was as enthusiastic as anyone at seeing the proceedings up to now, but, unfortunately, I do feel our deliberations are going to be entirely academic from here on.

Mr. Warner: Because of the board?

Mr. Treleaven: Yes. When I read the whole thing, with what I have heard today, I believe the die is cast.

Mr. Warner: I understand what you are saying. I have always had some concerns about the way things proceed around here through the Board of Internal Economy. The board has on occasion been accused of interfering and meddling with the activities of various committees. I understand that. The little trigger word today was from Mr. Speaker. When he was in, he mentioned the contract. That set the old wheels turning again and immediately raised concerns from the back of my mind that had been there for some time about the whole functioning of the board.

In fairness, there are a couple of dynamics that alter the situation. One was that we heard from Mr. Speaker and again from Ms. Smith that the board has the intention to be co-operative. There is a new government, which is grappling with how to run the ship well. I will give them the benefit of the doubt that they have good intentions in the board, first, to be helpful and, second, to get the job done quickly.

If you go back to those discussions and debates that took place earlier and you read them over carefully, you get the sense of urgency from the members. There are a lot of members of the assembly who want television in the House as soon as possible. If we did a little polling of 125 members I think we would find almost all of them, or maybe all of them, are quite keen to have television in the House. They want it to happen right away or whenever it is physically, humanly possible.

If we attach to that what I take to be some good faith and goodwill that the board does not intend to interfere but simply viewed what it was doing as being helpful, it would be a mistake to back off at this point. If there is some misunderstanding about the role of this committee and the role of the Board of Internal Economy, I suggest we find a way to get that out in the open. It may necessitate a meeting between the board and us to iron out all the little wrinkles.

I would much rather take that tack than simply fold up the tent and steal off into the night. The issue is too important. We have come down the road. We have been to Ottawa and Regina. We have seen the operations. The committee, as Mike Breagh has indicated, has for the most part a pretty clear sense of direction about it. The committee members have worked well together. We have pooled ideas and we have a pretty good consensus on the general approach, the philosophy of how we should make this thing happen. We also have a sense of urgency.

I heard expressed from other members as we went through meetings in Ottawa and Regina the fact that we would like to get this thing in as quickly as possible. The members are together on that. To back off at this point could be a mistake. What might happen is, if this committee does not work hard, it may not provide the impetus the board needs to do its job.

I urge members to have some discussion on this, if that is possible. The member may simply wish to withdraw the motion and not end up with us having a divided vote on it.

Ms. E. J. Smith: In hearing Mr. Nixon's remarks again, I would interpret them, as I did at the time, that he thought he was expressing the sentiments of the House as they stood at that time. Just as a family might say they have decided to buy a new house in the suburbs, it is always conceivable when they study the matter and see the price, they may add a bedroom instead. I think the report is still to come in. The intention, as I heard it at the time, is to reflect what the House is feeling rather than to inflict a point of view.

If there was a time when this motion was appropriate, it was before the trip to Ottawa and Regina, which obviously declared the intention of those who blessed the trip, the Board of Internal Economy and those who went on the trip, that the report would be forthcoming. Any further discussion of whether you are going to turn in a report, after those trips have been taken, becomes something that would be very hard to defend.

Mr. Sterling: I do not think we should stop our proceedings now and not produce a report if at all possible, but I think the motion Mr. Treleven raises is a valid motion in that the Speaker, as I understand before I came this afternoon, brought into question the whole matter of what we are doing with our time. The Board of Internal Economy or whoever has instructed the consultants to go ahead has in some way insulted not only this committee, but has also insulted a lot of the people who are appearing before this committee and the people who have been kind enough to give us their time.

I think it is important for us to get a clarification from the Speaker. As I read our directions, subject to the interpretation of the clerk or yourself, I do believe the Speaker is empowered to clarify our role. Perhaps postponement of the actual vote on this motion might be more in order while we have an opportunity to get further direction from the Speaker as to our exact role in this matter in terms of dealing with the electronic Hansard. It might be the most courteous way of dealing with the matter and the most practical way of dealing with it.

Mr. Morin: I joined this committee with good intentions, namely, to do a job quickly and well. I am a neophyte in politics. I am a debutant, but I am learning quickly. It seems to me this is a political issue, to find something wrong. Why not ask Mr. Nixon what he meant in his interpretation? Maybe we are totally wrong. Maybe he did not mean that. Let us ask him and let us continue proceeding; otherwise, it is a waste of taxpayers' money and a waste of time. We should continue our deliberations and continue our job. We are doing a fine job. We have got a good group. Let us ask Mr. Nixon what he meant.

3:30 p.m.

Mr. Bossy: I have one here, and you all have had sort of an agenda for the Board of Internal Economy, and it does describe or indicate the role of the standing committee on procedural affairs. It says, "The role of the Board of Internal Economy and administrative staff," and defines the different areas. In whatever transpired at that meeting, if this was taken according to what was presented to them, they defined our committee to be responsible for the development of policy regarding the coverage of the House proceedings, the development of policy regarding coverage of committees and the development of policy regarding access of legislative press gallery television crews after the system has been installed.

This would definitely indicate that the board would have discussed or at least would have seen a real need for the procedural affairs committee to take the action we did and that we had the finances approved for making these trips. I am sure the board is very aware that we were in Ottawa--if it is not yet, it will be when it gets the bills--and in Regina.

It would be very wrong for us now, because of some statement that is not totally clear to us, to be anything but positive enough. The members of the Legislature have a direct role to play in developing the policy because it directly affects us as individuals; so we must come in with the report.

I would have been disappointed with the Board of Internal Economy if I had heard that it had not done a thing. There is no way they would be able to proceed because, as their role is defined, they should be looking into most of these things, all the different processes or systems or whatever. However, it is our duty as a committee to make recommendations as to the system; otherwise I would have to agree, let us cease to function, we have no relevancy.

We may have misinterpreted some of the information, whether it is what Mr. Nixon said in the House or a little bit of what Mr. Speaker said today. I asked the question about August 26, whether this was a sort of pressure point that he had indicated. He did indicate finally that we should come in with the report before the end of August because I got a feeling from the Speaker that they are going to go ahead. We know we are going ahead with the television.

It is not for our committee to decide now that we know what we have done is irrelevant to what must take place because the guidelines are not the board's responsibility. It is strictly the committee's responsibility to come up with a report and with guidelines as to what we as members perceive should take place in this House. We can fight from there.

Mr. McClellan: Maybe my friends in the Conservative party are starting to discover what some of us have known for the past 10 years, that the Board of Internal Economy is a real pain in the neck.

Mr. Chairman: I thought it was a little lower in the anatomy than that.

Mr. McClellan: I am trying to be parliamentary. This is not a new problem; it is ongoing. I respect the feelings that are being expressed by my friend, and I share them. He knows that; we have talked informally about some of these difficulties. That is the reality around here.

The Board of Internal Economy is always a problem in relation to private members. Essentially it is an arm of the cabinet, but it is also charged with the responsibility of dealing with our work place and our working conditions and all the things that affect private members on a day-to-day basis. There is always tension and difficulty in working these things out.

I am also exquisitely aware of the problems with respect to the problem in front of us right now. I do not think the solution is to walk away from it, because we are going to have to live with whatever happens. We are dealing with our own self-interests here as much as with anything else.

There is going to be a television system put into the House soon. We all need to make sure it is the best possible system, one we can live with and be comfortable with; one that does not drive us crazy, does not glare spotlights in our faces for eight hours of the day while we are trying to do legislation and does not make us look like nitwits. All these can go either way at this point.

We have a responsibility to hang in there and try to work out this apparent jurisdictional problem to make sure we do the best report we can on the basis of what we have seen. We have not finished our work and we are still taking evidence, so it is a little awkward to say this, but the committee has a very clear idea of what kind of system it wants. We have a responsibility to fight to make sure we get it.

I ask the member not to bring the issue to a head in this way at this time. Let us continue to try to reach a consensus with respect to the best system we think the House can develop, and let us try to make sure the Board of Internal Economy has the benefit of our recommendations and does not go off half-cocked and proceed to take action before it has the benefit of our recommendations.

I am still optimistic we can get a co-operative enterprise under way that gives the Board of Internal Economy the benefit of the opinion of a representative group of private members, which happens to be us. I do not think we should walk away from it.

Mr. Chairman: Margaret, do you have any other comments you want to make?

Mrs. Marland: Yes, I do. Why do you ask? I concur completely with Gilles's comments, although I think I am more of a debutante than he is. We are both neophytes.

If I may ask the mover of the motion a question, have you read this in Hansard now?

Mr. Treleaven: Yes. During Mr. Speaker's comments I had the clerk and the assistant clerk get me the Hansard reference.

Mrs. Marland: Okay.

Mr. Treleaven: Coming from Mr. Speaker's comments, I wanted to see what our instructions were from the House and what our actual authority was from the House.

Mrs. Marland: I see. I wondered why you brought it up now.

Possibly a number of us had a concern when the Speaker made that comment initially this afternoon, but I felt by the time he had left he had cleared it up. He gave us the reassurance we

needed to make our ongoing assignment worthwhile and productive. With Mrs. Smith here too, we were given the assurance that there are two members of the board who are looking forward to hearing a report from this committee and who, in fact, need the report. That is very purposeful.

I also agree with Gilles's comment. I should wait until I read the comment, I suppose, Gilles, but I think I heard you say it seems to be becoming political. That was the thing that was so great about last week. When I talk about this committee being so productive and positive, the delight for me personally was the surprise that it was completely nonpolitical. I hate to see it slide into that.

As a matter of fact, we did have a member here yesterday who unfortunately took an intonation of something with a political genre that was not there at all. It was something I was saying, and unfortunately it was taken in a way that had that member spent last week with me, he would know that is not how I am.

I hope the committee continues. It is important that it does, as I said a few minutes ago. I also hope it continues in a positive and productive way. That is what we are elected to do as members of the Legislature. We are appointed to this committee with that responsibility to fulfil on behalf of the members who are not on this committee.

I see that as a very real responsibility, which I have enjoyed for the past five or six days. I look forward to continuing to enjoy it, because I see it as a worthwhile responsibility in a number of areas. This area is one that will have an impact on all the members of the House and on all our constituents.

I would like the mover of the motion withdraw it. It is on record because he has made the motion, but I hope we are not going to have to vote on it because I see it as a very negative move at this time.

3:40 p.m.

Mr. Treleven: I wish to assure Mrs. Marland that it was not political at all as far as partisan politics are concerned. It was an attempt to protect this committee and the rights of the MPPs, the elected representatives.

In contrast to yourself, I read it that the Board of Internal Economy was going ahead with television in the House, electronic Hansard or whatever you wish to call it, at the end of August. It was, "Ready or not, here we come," whether or not this committee had its report ready. If we wished to put the report in, that was fine; if we did not, that was fine too. If we were not ready by the end of August, it was full steam ahead.

That is what I believed, that is what I took from the comments and that is why I put the motion. I read the wishes of the committee. I will defer to that and withdraw my motion.

Mr. Chairman: Do you want to speak to the withdrawal of the motion?

Mr. Warner: I object.

Interjections.

Mr. Chairman: The motion has been dealt with by means of the mover of the motion withdrawing the motion. Are there any further matters the committee wants to consider this afternoon, before I go completely crazy?

Mrs. Marland: Would you consider an adjournment?

Mr. Chairman: Good idea.

The committee adjourned at 3:42 p.m.

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STANDING COMMITTEE ON PROCEDURAL AFFAIRS AND AGENCIES, BOARDS
AND COMMISSIONS

TELEVISION IN THE LEGISLATURE.

WEDNESDAY, AUGUST 14, 1985

Morning Sitting

STANDING COMMITTEE ON PROCEDURAL AFFAIRS

CHAIRMAN: Breaugh, M. J. (Oshawa NDP)
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Bossy, M. L. (Chatham-Kent L)
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Morin, G. E., (Carleton East L)
Newman, B. (Windsor-Walkerville L)
Sterling, N. W. (Carleton-Grenville PC)
Treleaven, R. L., (Oxford PC)
Warner, D. W. (Scarborough-Ellesmere NDP)

Clerk: Forsyth, S.
Assistant Clerk: Decker, T.

From the Ministry of Citizenship and Culture:
Ormsby, W. G., Archivist of Ontario

Witness:

Kofman, J., Queen's Park Correspondent, Global Communications Ltd.

LEGISLATIVE ASSEMBLY OF ONTARIO
STANDING COMMITTEE ON PROCEDURAL AFFAIRS AND
AGENCIES, BOARDS AND COMMISSIONS

Wednesday, August 14, 1985

The committee met at 10:12 a.m. in room 228.

TELEVISION IN LEGISLATURE
(continued)

Mr. Chairman: Our first witness this morning is William Ormsby, who is the archivist of Ontario. One of the matters the committee had considered when it visited other jurisdictions was, "What do you do with all these tapes after you get them?"

The method used in Saskatchewan is that the Legislature itself keeps a couple of copies of each tape of the proceedings for about a year. It uses one on a regular basis to make copies for media people, members or whomever, and one copy of each tape goes to the archives. They were having a little difficulty storing them there.

We thought it would be of interest to the committee to check with the archivist of Ontario as to what the status might be here. We would appreciate any comments you would care to make to the committee about what kind of system might be devised, whether that would be an appropriate thing to do in Ontario and whether you have facilities to handle the storage of tapes, which is a bit of a problem in some other jurisdictions.

We would be pleased to hear any comments you have, Mr. Ormsby, and then the committee might have a few questions for you.

ARCHIVIST OF ONTARIO

Mr. Ormsby: First of all, it would be an excellent idea if the Legislature made provision for copies of tapes to be deposited for permanent preservation in the archives. From what I know of the Saskatchewan system, it and the system at the Public Archives of Canada would serve as models for us.

Unlike most archives, we do have a problem with space, but we are in hopes that it will be improved. Any archives that is doing its job continues to grow. It does not reach a maximum size and then stay at that size; it continues to grow, however fast or slowly. I guess this means governments of the future are faced with building larger and larger storage facilities. Whether or not we were getting the tapes, we would still have that problem, but I am sure it will be solved.

We do now have small holdings of videotapes. For example, we acquired from Rogers Cable the videotapes of the hearings in connection with the Hospital for Sick Children. We have between 500 and 1,000 videotapes at present. Obviously, if we become involved in the project you are considering, our holdings will increase tremendously, but we are capable of dealing with that.

Mr. Chairman: What kind of uses do people make of these facilities? Who uses them, how often and things like that?

Mr. Ormsby: Primarily people doing historical research. How often? I do not have the statistics in my head for either Saskatchewan or the federal archives, but I would think the statistics, if we did have them, would be misleading in that it is new enough that frequent use has not developed or as frequent use as will ultimately develop. By that, I do not mean to say, though, that they are going to be used once a month; probably it will average once every three months.

However, it is a valuable record. Obviously, the whole record will never be used consistently through, but it is impossible in advance to decide what would be of interest to research and what would not.

In addition to historical researchers, the media from time to time want to go back. You were saying the Legislature would keep its copy for the use of the media for up to a year. Not infrequently the media want to go back farther than that.

Mr. Chairman: Basically, academics, researchers, media people doing stories would be your customers, so to speak?

Mr. Ormsby: That is correct.

Mr. Chairman: We had some discussions in Saskatchewan about storage space and the kinds of facilities that were there. They indicated to us they were kind of at a loss in a technical sense; they were not using discs for storage yet. They did not have the facilities but thought that is what would eventually come about. In the meantime, they were reducing it, sometimes for their own convenience, to half-inch tape, which takes a little less space. You do not have that kind of facility now, I take it?

Mr. Ormsby: We do not have facilities for discs, but we do have facilities to play both half-inch and three-quarter-inch tape. We have been using half-inch, but on the advice of the archivist who is in charge of it and the best opinions he can get, half-inch will not give you a reproducible broadcast-quality tape. So we are going to three-quarter from here on in. We had been using half-inch.

Mr. Chairman: You would have no problem if we designated you as being the recipient of the official video record on a long-term basis? You could handle that?

Mr. Ormsby: I would see no additional problem until we are full at 77 Grenville. We have about 30 per cent of our material stored offsite at the Ontario government records centre. We will probably always have material stored offsite, but at the moment we occupy only six of 11 floors in the building. The building, though not government-owned, was built to specifications for the archives and we hope to get more floors. That would solve our space problem.

Mr. Chairman: We had some discussions about long-term storage capacity in Saskatchewan. They were saying videotapes may have a lifespan of maybe 20, 25, 30 years and then they would deteriorate. I know this is not a problem for us, but it might be for future generations.

Mr. Ormsby: To the best of my knowledge, that is speculation because the tapes have not been around that long. They may last as long as microfilm does. When microfilm is not used, it lasts more than 100 years, we assume.

Mr. Newman: Even television film.

Mr. Ormsby: Yes. On the other hand, if it is found the tapes do deteriorate and are not reusable after 20 or 25 years, then I would suspect a policy of selecting from tapes as they come up close to the period when they would not be reusable, a selective process of taking the highlights and retaping those, could be undertaken.

As you suggested too, I think ultimately we will be going to discs, but at the present time the equipment to play discs is far too expensive. The only archives I know that has the equipment is the Public Archives of Canada. They spent a good deal of money in assisting private enterprise to develop the equipment. Ultimately, I think it will come and it may ultimately be cheaper.

Mr. Chairman: Or there may be some other technology we are not aware of.

Mr. Ormsby: Who knows. Yes.

Mr. Warner: I am operating on the assumption that all the material you receive at the archives you keep for ever; you do not destroy anything.

Mr. Ormsby: That is not entirely correct. If you are thinking of hard-copy records, frequently we get large series that have been previously designated to be sampled or weeded by the archives. The staffs of the ministries that create them are not qualified to select archival material, so our staff does it. Consequently, perhaps 10 or 15 per cent of the total of what we get is weeded out and destroyed. But anything that is designated of permanent value remains of permanent value.

10:20 a.m.

Mr. Warner: What we are asking you to store indefinitely would cover approximately 24 hours per week for six to eight months of the year. That is a lot of tapes.

Mr. Ormsby: I realize it is a lot of tapes. First, it would have permanent archive value. Secondly, I am thinking if this helps to accentuate the space problem at the archives, it will help to solve it. I am being a bit machiavellian. I admit it.

Mr. Chairman: Right on.

Mr. Warner: I can appreciate that. Do you make a determination as to what has archival value?

Mr. Ormsby: Yes, under the Archives Act.

Mr. Warner: Do you have the ability to do that with respect to the tapes from the proceedings here?

Mr. Ormsby: Yes. If we consider the tapes documents--and I think you could consider them as documents; documents are not necessarily just paper documents--under the Archives Act no document or record created by the government of Ontario can be destroyed without the knowledge and consent of the archivist. I am not the only person who has to approve, but with my knowledge and consent a document can be destroyed.

Mr. Warner: Is that a blanket thing? Is it all-inclusive? Is it either all of the tapes or none of them?

Mr. Ormsby: Oh, no.

Mr. Warner: You can select within that?

Mr. Ormsby: That is right. That is what I was saying. Initially, I would be thinking in terms of keeping everything, but if it was discovered after 25 years, 50 years or whatever, the videotapes were of no value, you could not reuse them and there was nothing left on them, then at whatever point deterioration began to be noticeable, I would suggest a policy of selection of highlights for retaping before it disappeared and it would be repeated.

I do not think we know enough at this point to know whether that would be necessary or not.

Mr. Warner: From your point of view, in terms of storage, it would not be necessary to preselect?

Mr. Ormsby: Not until--

Mr. Warner: At this stage.

Mr. Ormsby: --it was discovered that you were not going to be able to reuse. If you were going to be able to reuse, I would suggest you keep everything for ever.

Mr. Warner: You do have that power to pick and choose which tapes?

Mr. Ormsby: That is right.

Mr. McClellan: It will be your speeches they will destroy.

Mr. Newman: There is no committee to do it?

Mr. Ormsby: No, there is not.

Mr. Newman: You do it alone.

Mr. Ormsby: That is right.

Mr. Newman: That is interesting.

Mr. Chairman: If I could just stick my nose in for a second, one of the things we discussed in setting up some guidelines is that access to the documents should be kept in accordance with procedures established by the archivist of Ontario. Could you give us a little bit of an outline as to how you would set up a procedure to receive the documents, to allow people access to them, that kind of stuff?

Mr. Ormsby: I think probably the best way to do that is to refer to our present policy with regard to hard-copy government records. When records are scheduled, the schedule indicates the period of time the creating ministry will require to keep them, the period of time they will have them in the records centre and then there is a space for ultimate disposition. If the ultimate disposition is transferred to the archives--the other alternative is destruction--there is an indication as to whether the ministry creating the records is placing any restrictions on them.

Our practice at the moment, which will probably be changed by the freedom of information bill, is that any records less than 30 years old are restricted unless the ministry or creator agency that creates them tells us there is no need to restrict. If they are records that were public right from the moment they were created, then they are not restricted.

The freedom of information bill will probably reduce that 30-year period to 20 years, judging from Bill 34, which I have had some considerable occasion to look at in the past couple of weeks. What we would doing is saying to the Legislature, "Do you wish any restrictions placed on them?"

Since presumably you would be willing to let the media reproduce whatever they want from them, your answer would be, "No." If your answer was, "No," they would be open. If you said, "Certain types have to be restricted," then that restriction would apply.

Mr. Chairman: Since the Legislature itself would be attempting to broadcast it, I am working on the assumption that this would not be secret material.

Mr. Ormsby: I think there would probably be no restriction.

Mr. Chairman: Would there be any restrictions on those who would have access to it?

Mr. Ormsby: Not unless the creator agency, which would be the Legislature, suggested restrictions. We would not impose them.

Mr. Chairman: You would not impose them; so virtually anyone who wanted access to the tapes could get it.

Mr. Ormsby: That is right.

Mr. Chairman: One of the things we noted in other jurisdictions is that there seemed to be, not a casual attitude, but a process that seemed a bit loose. If somebody wanted it, they could get copies of the tapes and use them for whatever purposes. There did not seem to be a lot of guidelines laid down. I guess no one had really quite turned his mind to that.

Mr. Ormsby: By and large, I think it is the practice of practically all archives that unless the creator agency asks for restrictions, restrictions are not applied. There are very few exceptions. In the period I have been archivist, I have put restrictions on a section of John Fisher's papers. Neither he, nor his widow subsequently, suggested it, but I felt it wise to have restrictions on those papers--not on all of them, but just on a small portion of them.

Mr. Warner: Supposing there are no restrictions on access to the tapes, and we will presume that is the situation, could a member of the general public come into the archives building and borrow the tape and view it on the premises?

Mr. Ormsby: That is the only way. They could not take it off the premises.

Mr. Warner: Do you have a facility for making a copy of the tape?

Mr. Ormsby: We do not at the moment.

Mr. Warner: Would you anticipate doing that?

Mr. Ormsby: Initially, we would probably do it commercially rather than on site, but if we found there was sufficient demand for it we would probably acquire the equipment to do it onsite. It would be a case of supply and demand. Our budget is not a big one and I would want to be sure we would be using the equipment often enough to make it worth acquiring it.

Mr. Warner: It would be a cause for increasing the budget.

Mr. Ormsby: Anything could be.

Mr. Chairman: There is not much of a demand--

Mr. Ormsby: I retire at the end of March, so it will be my successor. I will be 65 at the end of March, so I am not really building a castle for myself.

Mr. Chairman: Are there any other committee members who have any questions or concerns?

You have answered the simple, straightforward questions. To reiterate, I think it is our opinion as a committee, although we have not expressed it formally yet, that these tapes will be in essence like a print Hansard. When they are put together in final form, they will be public documents and available to anybody who wants to see them. I think you have answered our concern and there would not be a major problem with storage, access or procedures.

You may well see in the final report that we pursue a recommendation that at least one copy of the tapes of the proceedings be registered with you, that you be given yet another job and perhaps fill yet another floor on Grenville Street.

We can take a break now for about 25 minutes or so, because Mr. Kofman from Global Communications Ltd. cannot be here until 11 o'clock. Unless you have some other business, we can take a break until 11 o'clock and resume then.

The committee recessed at 10:30 a.m.

11:07 a.m.

Mr. Chairman: The next witness is Jeffrey Kofman, who is here from Global Communications Ltd. We are happy to have you here and want to give you a chance to make your comments to the committee as informally as you would care to. Then the committee may like to ask a few questions and have a little discussion. So, Jeffrey, go right ahead.

JEFFREY KOFMAN

Mr. Kofman: I have a couple of words, and I will be happy to answer questions afterwards. I heard some things yesterday that I would like to elaborate on. I would like to let you know how I feel because I have a lot at stake.

Before I speak, there are two things I would like to emphasize. First, and this goes without saying, I want to be clear that I make no pretence of speaking for anyone but myself in the press gallery. I am not speaking for my colleagues as did those who appeared before you yesterday.

Second, as a journalist who covered these deliberations yesterday, I am sensitive to the different role I am assuming today. Normally I would not change hats as I am doing now, but my work will be very much affected by the decisions you make in this committee, so I feel it is only right that I communicate to you my feelings about this issue. Let me assure you I will not be reporting on my own comments.

Mr. Chairman: It is okay. We are going to record them.

11:10 a.m.

Mr. Kofman: It is my opinion that this committee is dealing with two separate issues relating to television coverage. The first issue is whether the so-called electronic Hansard system should be introduced in the Ontario Legislature. On that question,

there appears to be general agreement, although, as I heard yesterday, some important details have yet to be worked out.

The second issue--and I want to emphasize that I believe it is very important that this be looked at as a separate issue--is the question of the continued access of the so-called private cameras.

Again, I see those as two distinct issues. Looking first at the question of an electronic Hansard, I am in complete support of the move to introduce such a system in this Legislature. I believe very strongly that it should exist.

As I listened to discussions in this room yesterday, it became clear that there was some question about the role of such a system. While there is some scope for loosening the system more than is done in Ottawa, I suggest you will find it very difficult to give electronic Hansard much more latitude beyond what we find in Ottawa, beyond simply allowing wide shots.

The moment you go beyond that you are going to get into the problems of editorial judgement and individual decision-making, and I do not think everyone can ever be satisfied by that. The timing of these much-talked-about reaction shots, for example, and the pans, I can see becoming a major sore point. I do not see that an electronic Hansard can do that.

You will find that none of you would be very happy if the cameras were panning the public galleries while you were delivering the most important sentence of the most important speech of your career. I can see major sore points developing if that were to happen.

I do not think any individual wants to be saddled with the responsibility of saying, "Okay, cut to the shot of the galleries" or, "Cut to a reaction of Mr. Warner while he is listening to so and so." So and so would be very upset if he wanted to show his constituents what he has was saying and there was a shot of Mr. Warner listening to a response to his question.

I do not see that electronic Hansard has much latitude. We could have a little more flexibility than in Ottawa: the occasional wide shot, a medium shot and then a close-up, but I feel, as do some of your members here, that Hansard must always stay on the members recognized by the Speaker. It can never deviate because the moment it does it becomes more than Hansard; it becomes a new source almost in competition with it.

I am not worried about the competition but, practically speaking, we should not delude ourselves as to what this system can and cannot offer. In speaking with journalists, when you are saying, "We are going to offer you as good or better," you simply cannot, because you would undermine your own system when you did that.

While some of you may take exception to some of the coverage in the Legislature--and I certainly got that sense yesterday, although not all those who made those comments are here, which

disappoints me--none the less I do not believe that is the subject being covered in this hearing, and I sincerely hope it will not colour any of the decisions made here.

I was somewhat concerned by some of the comments made yesterday. Whether or not we like it, the main event or the most newsworthy event as judged by individual journalists--and let me make it clear that it is individuals, not a pack, who are judging it, from my vantage point--may likely not be recorded on your electronic Hansard system.

To take an extreme example, if Pierre Trudeau were an MPP and gave one of his famous one-finger salutes, I suspect many of us would find it newsworthy. Yet if there were no private cameras, if the cameras that are there currently were not allowed in and if there were an electronic Hansard system, we would find the curious situation of a Globe and Mail or a Toronto Star photographer being allowed to take a picture of Mr. Trudeau with his one-finger salute; they would be able to put it on the front page and put a banner headline saying, "MPP Trudeau Gives One-Finger Salute." Yet those of us in the television media would not have any shots to show; in fact, we might have to buy a picture from the Star.

We would have a two-tiered system. I would not suggest that you should ban the individual photographers; I suggest that would be absurd, unnecessary and not an issue being addressed here. That is the kind of extreme situation, and it is not an unusual extreme. I have not seen that many demonstrations in my year and a half here in the gallery. It is not those that most concern me because perhaps we can get those demonstrators outside and it just does not happen that often.

I am more concerned about the nuances, the subtleties. I use my position in that gallery in ways an electronic Hansard could never do. After the election and the change of government, it was very useful to be able to show shots of the new look of the Legislature. I think we were all somewhat stunned the first time we walked in and saw the balance of seats in the Legislature, and I think we were all somewhat stunned the first day we saw David Peterson walk in a Premier. So I had my camera record Mr. Peterson coming in.

Those kinds of shots are very important. They communicate the event; they communicate what is going on. Those are the shots that mean much more to me than some demonstrator chaining himself or herself to the public gallery, and those are the shots that you will never be able to provide in electronic Hansard. I do not think those shots offend anyone; they make for better journalism. Simply because they do not exist in Ottawa or Saskatchewan is not a reason why they should not exist here.

Let me add that there was some talk yesterday of restricting the movement of private cameras, if they are allowed to stay. It is important to note that the radio and print journalists also leave the chamber before the end of question period. It is just that our bongo balls, as one of your colleagues is fond of calling them, are a lot noisier than the print and radio bongo balls. If you look at it carefully, it would be not only unreasonable but

also unacceptable to me to ask TV journalists to abide by such a rule; that is, that we should stay until the end of question period.

I do not know what bongo balls are. Apparently, I have a set.

Mr. McClellan: Just for the record, can the witness tell us what bongo balls are?

Mr. Chairman: Try not to harass the witness.

Mr. Kofman: The suggestion that we should be limited is unfair, it is unreasonable and it would seriously impair our ability to put together a story, compromising our ability to get into scrums on time and to meet deadlines. Let me emphasize that it is unworkable and, to me, unacceptable.

As I understand it from my high school and university politics, this Legislature is meant to symbolize the centre of our democratic system. I suggest it only benefits from the increased scrutiny that the independent cameras offer. Please remember that if we do not have adequate shots, we simply cannot show what is happening. We all agree that the Ottawa system is not a satisfactory solution.

I will conclude my statement by making a suggestion to those of you who think the private cameras should be expelled when the electronic system is introduced. Try leaving independent cameras in the Legislature for a year after the new system begins. After that time we will have a better idea of how the system works and how much TV journalists are using it versus the current arrangement.

Those of you who are already convinced that the electronic system is all that need be offered may be proven right. We may find that the independent cameras stop setting up in the gallery. If that is the case, then a year after the system has been under way, it may merit review and the suggestion that seats be put back in there.

On the other hand, if the limitations of this system are not adequate--and I suspect that will be the case--and if most TV journalists do continue to use their cameras, even if it is just for those shots I have described, and if we do get our clips from the Hansard system, I would suggest the system should be maintained in perpetuity.

I will say no more in my prepared remarks, but I would be very happy to answer any questions you have.

Mr. Chairman: We have kind of a wide-ranging discussion there and we will let you continue that. At some point, you may want to focus a little more.

Mr. Mancini: I would like to say we discussed on Monday at great length the guidelines that operate in Saskatchewan. Generally, we came to the conclusion that we want the electronic Hansard to be a very factual representation of what goes on in the

House. We discussed many ways how we could make it more interesting to the general public and more informative by letting the general public know why certain things are happening. We concluded that might be done by having things flash across the bottom of the screen, the Speaker now calling for a vote, and things of that nature.

I personally visualize that as probably how the electronic Hansard will be. I do not think the electronic Hansard in any way can take the place of a private news service. I concur with you entirely when you say that, simply because of the stipulations that are and will be placed on the TV Hansard that will be used and simply because of the nature of your job, which is to decide what you consider newsworthy and then to editorialize on that fact.

11:20 a.m.

I hope we will be able to keep you people in the gallery as long as you want to stay. I see no real need to move to eliminate private TV cameras from the Legislature. I see many demerits in that proposal.

Generally speaking, I pretty well concur with all you have said this morning. I am not even sure we have to place a one-year limitation on it. I think this committee discussed on Monday that we would be reviewing the TV Hansard on an ongoing basis, consulting with people like yourselves and others familiar with the workings of television, news services and even TV Hansard about how we can improve the situation, make it more factual and more representative. Possibly the issue of whether the cameras should be maintained may arise in the future.

I could never foresee a situation in which we would want to prohibit your being there, because you hit the nail on the head when you said the Globe and Mail will always have a person there and a camera available. To give them certain rights we would then deny you would create a two-tiered system. What is said on paper and what is portrayed in one snapshot can be quite different from what can be told in a 45-second clip.

Therefore, personally I can concur with just about everything you have said.

Mr. McClellan: I would like to thank Mr. Kofman for coming this morning. I simply want to repeat, on behalf of my colleagues in the New Democratic Party, the position we took the other day, that the private and public network cameras have a right to stay. There is a big difference between the function of Hansard, whether it is printed or electronic, and the functions of the press and press gallery. They are entirely separate.

No one would have imagined suggesting print journalists should have been expelled from Parliament when the printed Hansard was introduced. By extension, I do not think anyone should be suggesting the electronic media should be expelled when we introduce electronic Hansard. Those people get their news now from the electronic media rather than from print; that is the way things have changed.

When you start to think about it and discuss it, there is no problem here and I do not think there will be any as we introduce electronic Hansard. I might speculate that there will probably be less need for so many cameras in the Speaker's gallery during question period if we can design a system that has the flexibility to provide for our needs and, to some extent, those of the media.

To the extent we are able to do that, the nuisance problem in the Speaker's gallery will be abated. If the media are able to take question period mostly from the electronic Hansard, they will not have to be in the Speaker's gallery to the same extent, for so long a time and with so many people. They can concentrate on reaction and colour shots and the follow-up stories they get in the scrum outside the Legislature.

I suggest we should thrash this out as a committee and have a section in our report dealing with the question of access. I would hope we could put something in along the lines of the comments Remo has made and I am echoing.

It would be useful to the assembly to deal with this issue when we are doing the report and to have a recommendation with respect to access rather than leaving it silent--I hope it is a positive recommendation; I sense there will not be any problems with that--and some explanation as to why we are recommending what we recommend, largely because of the anxiety our fellow workers here are expressing.

Mr. McCaffrey: Very briefly, I thought it was a thoughtful presentation.

With the exception of my colleague Mr. Sterling, thinking back to yesterday, the bulk of the Progressive Conservative members of the committee subscribe to the thrust of your comments and those that have already been made.

For my part, and I think I can speak for a couple of my colleagues, we never did see electronic Hansard as an either/or situation in that if we are going to have an electronic Hansard, as the analogy just made by Mr. McClellan with the print Hansard, therefore there is no need for working reporters. It was not seen by us as an either/or situation.

I hope as we proceed along, and if there is a review in a year, that there will be a more formal structure we might be able to address also in the report about the forum where we can review this, especially in the first year.

I suspect that to the extent we are able to convince our colleagues in the assembly to allow a more liberal electronic Hansard, the need for cameras in the gallery may diminish. Time will tell.

It is a good recommendation to speak to access in the report. At least it would be an opportunity to refer to some of the anomalies that were discussed yesterday, such as not being able to make written notes when you are sitting in the public gallery. Under access, there are two or three irregularities we

might be able to address.

I thought it was a great presentation.

Mr. Bossy: I fully agree with you that there are two different roles being played here as far as television is concerned. One is the media, and the other is electronic Hansard, which serves the purpose as far as the members are concerned in providing coverage from gavel to gavel, as I said yesterday.

I had thought it was a foregone conclusion here that we would not get into a position of leaving the impression that we were going to inform the media they were no longer welcome in the House. The fact is that we feel strongly--I think this is going to happen; I hope it happens, especially when new media people might want to come in when others leave--they will soon find our quality of television will be such that most will not want to spend a lot of money on camera crews if not enough extra is being obtained from their position in the gallery. This will govern itself.

As I said yesterday, what the media do is their business and we have to conclude what we are going to do with our electronic Hansard and how we want it to report as far as the television program we are putting on is concerned. At the same time we must recognize that we need input from the outside media, because there are little things we might not look to and could provide with minor adjustments in our way of looking at television and giving more access.

I can agree with everything you have said, but to try to allay the concerns, the people I know on the government side are not worried about the gallery that is up there at present. That will govern itself. Some may have the finances to keep the camera crews running back and forth. However, as you say, give it six months or a year and we will soon find out. The committee can then come back, sit down and discuss what our experiences have been, review what has transpired, and if there are suggestions from the media we may be able to modify the guidelines, but our guidelines are for our own internal use as far as setting up the electronic Hansard.

The presentation this morning was valuable because it again brought forward the fear, expressed yesterday by Rosemary Cino, of being expelled from the Legislature. That should be put right into our report. We should make sure the media can be comfortable that we are not looking at eliminating the gallery. Personally, I feel strongly that they should stay.

11:30 a.m.

Mr. Warner: I very much appreciate your coming here this morning. I was particularly interested in your comments, forming sort of a caution to us on the operation of the electronic Hansard. We have wrestled a bit in this committee with the concept of televising the proceedings, how restricted or how wide open it should be.

I have had, quite candidly, more of a predilection towards

making sure it is good television as well as being accurate and fair. It is difficult. The committee is wrestling with that. Obviously, we want more people in Ontario to be able to view the proceedings, but at the same time we do not really want them all to fall asleep while they are watching it, unless that is a good health remedy. We are looking for a kind of balance. Your comments are very helpful in that. I appreciate it.

When we look at this and separate the televising of the proceedings from the news aspect, there are a few things we need to keep in mind. Some of what we went through yesterday, quite frankly, was a tempest in a TV teapot. I would hope that all members who are involved in a democratic system of government view very strongly the idea that freedom of the press is extremely valuable and should not be undermined or undercut in any way.

Obviously, people are concerned about where that freedom leads the media. There is always a risk. Quite ironically, from my experience here, I would say that if one was to be critical about media coverage--critical in terms of the media being used as a way to make political statements--the greater risk has always been with the print media in terms of pictures.

One may recall the famous picture of the member for twin forks on the front page of the Toronto Star during the last federal election. It was a picture of Mr. Turner with forks sticking out of his head. To my mind, that was very much a political statement on the front page of a major newspaper. You do not even have to say anything. The picture says it all.

I have never had that feeling or sense about television as it is used here at the Legislature. From my vantage point, it has been objective and it has been used to portray and deliver the news. There are probably two points to it. Members tend to be a bit paranoid about coverage partly because we are not very good judges. We are not objective. We are too close to it to see it objectively.

Second, I think very few members really understand, because it has never been explained to them, how the gallery functions, what the press people do, how they go about their business, what their problems are, and how they intrude or do not intrude into the life of the Legislature.

Maybe I am off base on that, but I recall having come here in 1975 and no one ever explained to me how the gallery functioned. That may be my own fault for not asking, but there was no concerted effort to match up the new members with a representative from the gallery who would explain how the print media, radio and TV worked, what their jobs are all about, what they are trying to accomplish, their restrictions and freedoms and so on. You just sort of meander around through the building, watch what happens and what unfolds and some of it you do not understand.

That has been my experience. Maybe other members have had a different experience. We come at this with a certain lack of understanding. It always builds a bit of fear when you do not understand things. Then we get a little frightened about what kind

of coverage there is going to be. How bad will I look to the folks back home?

Underlying it all, there has to be an understanding by members that when we get elected we are then public figures. What we say and do can rightly and justifiably be reported to all and sundry. If we say or do something foolish, we run the risk of that being on television or on the front page of a newspaper. That is the risk because you are in public life. If you fall by it, that is tough. That is what happens. We have to keep that in mind.

I like the constructive suggestions Mr. Mancini made. Quite frankly, I do not think it is necessary for us to build in this one-year thing. We are trying to build in a regular review mechanism. It is in our guidelines that we are going to take a look at this from time to time. We are anxious to know how the members in the House see this proceeding. We are suggesting guidelines. After a few months, some of our colleagues may say to us, "We think those guidelines are too loose or too tight." We are meandering a bit on our own.

We are going to regularly review it, but I think there is a fairly strong voice from this committee--Mr. Chairman may want to summarize it--that we do not in any way wish to give the impression that TV cameras should be removed from the gallery.

Mr. Morin: I thought when I was in Saskatchewan there was an excellent relationship that existed between the press and the House. I sense the same feeling exists here in Ontario. There is no reason we should not be able to improve that. I look at the system of the electronic Hansard as a complement to your job. What I would suggest is that you also come to us with ideas. How can we better help you? How can we really show the public very vividly the happenings in the House and also, by doing so, keep the decorum we should at least represent and show it to the public?

I am totally in favour. The press should be there. We should co-operate with you. We should work together to get the best coverage possible to the public.

Mr. Newman: When you are the last one to make any comments on a topic like this, there is not very much you can add, but as far as I am concerned I can see no objection on the part of any of my colleagues to Hansard operating the electronic Hansard and you people with your cameras operating in the House. I think you will use proper discretion to not embarrass someone if there is some embarrassing position or something is done by an individual in the House.

11:40 a.m.

What does concern me is how many cameras we can put in there. We have X cameras there now. There may be another dozen different groups or news media parties that would like to have their cameras in the House. Where do we stop? Do we stop at 22 or do we allow a substantially larger number? As soon as we come along and set a given number, we are restricting someone else from recording what goes on in the House.

It is going to be a little difficult in the beginning. We are going to be in an apprenticeship or break-in period until the time you people in the media co-operate among yourselves. I do not think there is going to be any problem.

Mr. Chairman: I think the committee is mindful that two rather different things are being discussed. One is that for purposes that may be quite different from your newsgathering exercises, we want a visual record of the proceedings. I think all members would recognize that what might be of urgent importance to me in my riding or to a group of professional engineers in Thunder Bay might not be the lead item on Global News tonight, but it is important and has validity, and that is what an electronic Hansard would allow us to do.

We are also mindful of the concept that, just because at one end of the chamber somebody uses a pen or pencil as the means of doing his or her job, and at the other end of the chamber somebody uses a television camera, we should not discriminate between the two.

However, let me put to you what may be a little problem among ourselves. There have been occasions when I have been in the assembly when the letting loose of the freight train in the middle of question period has disrupted the proceedings. I know camera crews have deadlines, that they want to catch the Premier outside for an interview and that they want to file a story. It should be possible, however, to find some means whereby all hell does not break loose just because a deadline has to be met. Do you think that is possible?

Mr. Kofman: There may be a means by which we not take out all of our equipment at the same time, perhaps by leaving our tripods. Some of us have permanent tripods and they tend to be quite heavy, bulky and noisy when they are being, as we say, torn down. We may be able to come to that kind of agreement. As I said in my remarks, it is not practicable and it is unreasonable to ask us not to move.

I understand your problem, and obviously as you have expressed it, it is our problem too. There may be a way of lessening it. I would not want to suggest that it can be alleviated--I can only speak for myself. Journalists, as they should, would rather be seen as individuals and not as a group. I think that is one of the problems we seem to get sometimes amongst our critics, that we are seen as a group. Speaking for myself, I think there are ways in which I could see the noise and disruption being lessened. Whether it can be eliminated--

Mr. Chairman: I think part of the problem is that we do not have the mechanism to resolve some of this. For example, if any other visitor came upstairs to the gallery and halfway through question period grabbed a bunch of bags and baggage and clobbered four people on the way out, we would call that a disruption.

When the television crews leave, they sometimes are not quite as polite as they might be. It is sometimes embarrassing to

me as a member that we invite people into our galleries, sometimes very distinguished visitors from afar, and 20 minutes later we subject them to an onslaught of television crews leaving. It seems to me it should not be an insurmountable problem and that we can find some delicate way--maybe we could teach the crews to tiptoe out. I do not know.

Mr. Kofman: Possibly it may be as simple as a rearrangement of the two rows of seats. If the two rows are at the front and the aisle is at the very back, we can go out along that curtained wall and not knock feet, toupees and things, and let the distinguished visitors stay in their places.

Mr. Chairman: We may have resolved the problem right here. From most members' point of view, it is not a theoretical, but a practical problem, and we seem to have gone for some time now watching this disruption each day and no one has had the presence of mind to say that by moving a couple of chairs we could let the camera crews leave without bothering somebody else. It is a long way from the Speaker's dais to the gallery upstairs.

Mr. Kofman: My colleague has just pointed out to me that under the new security arrangements there is now only one door from which we can exit, the one on the east side. The west door is usually locked. In my experience there are usually more people on the east side of the gallery. There are more visitors because it is the government side. It would probably be easier if we could actually go out the west door.

Mr. Chairman: We might even have enough influence to convince the security guards to unlock that door. Who knows? I would not want to put money on it, but I would give it a shot. There may be practical ways to resolve some things.

Mr. Bossy: There is another thing, but I am sure we could never get it changed. That is putting the leaders' questions at the end of the question period.

Mr. Chairman: I think we are actually making progress here today. If you ever decide to leave communications, you ought to go in for the revivalist business. You have a tremendous ability to make people see things in a different light. I am impressed by it. You put Billy Graham to shame this morning.

Mr. Kofman: I have a couple of comments in closing. In response to your question about the number of cameras, I do not think that is going to be a concern. The smaller outfits, for example, CFMT-TV, Channel 47, which comes occasionally and I think is an associate member, has in the past used my footage with a credit because it does not have a place. Its limited needs here would be resolved by electronic Hansard.

You would get better coverage in the north where they rely on the feeds from the Toronto people or else they do not do anything. Thunder Bay TV, which does not get the clip relating to whatever is going on there, can actually take it from TVO. I do not think the numbers will become a concern. You will find it is only the major players who stay.

Mr. Newman: The numbers are a concern right now. They all leave at the one time.

Mr. Kofman: There is no room for more and I do not see a need or demand arising for more. In fact, as I suggested, you may find fewer people coming in.

In the not very satisfactory situation in Ottawa, some TV journalists and journalists from the other media actually sit in their offices and watch on TV. They can have their video screens if they are print reporters and they can write and they can all talk about the merits of that. Perhaps it is not so good because they really should get the feel of it, but the reality is what happens. We will probably see TV screens put up in strategic areas of this building. People will be able to sit and watch without actually attending. I do not see the numbers increasing. It may take care of itself and the numbers may decrease.

One point I did not address that I do want to bring to your attention is the question of the technical quality of the system you install. I am not a technical person--those responsibilities are divided in television--but I do deal with the technology every day. I understand your complaints about lights because we deal with those kinds of complaints every day. Those who sit in front of the lights and make a lot more money also complain about that. I guess that is why they make more money.

The concern about the lights, however, and the suggestion that perhaps Saskatchewan has resolved it, may mislead you. The technical quality of the system should not be compromised. Do not go for lower lighting to make it a little easier on your eyes and as a result have lower quality of signal and image.

I do not want to get involved in a discussion of costs. That is your decision. I do not want to suggest that you go for a Cadillac or a Volkswagen, but video images do deteriorate very quickly. One of the problems we have in television is that when they are sent out on feeds, they are transferred on to an edit package and then perhaps used once more three weeks later for file purposes. They become very grainy and sometimes unusable.

While it may seem like an ideal situation, and you may say at least you are getting a picture and that is all that really matters, to me and to people who work in my medium, it is a compromise. I caution you not to go for low light and cheaper cameras. I suggest you examine the alternatives and, if necessary, get some demonstrations. It is not the first generation, as we call it, of tape that is a problem. The low lighting and the low-quality cameras do not transfer. That is a real problem for us and an example of something you may not be aware of.

Mr. McCaffrey: May I ask for a clarification? I understand what you are saying, as a cautionary note about not buying the Saskatchewan system blindly. For my part, I was as impressed as hell. I thought it was high quality and the lighting was more than adequate. I am not talking about being in the chamber, but about the quality of the picture. I respect what you

were saying about the need for a better quality if it is going to be transmitted. Is it your view Saskatchewan's quality is not as high as I see it as a layman?

Mr. Kofman: I have not seen it nor been there, but from talking with someone who has, it is my understanding the quality is lower. Ottawa's quality is like a television studio's and that is obviously extremely expensive.

Mr. McCaffrey: It is funny. That does not jibe at all with what I saw.

Mr. Chairman: Just to share a western perspective, they felt the tapes coming from here were not usable by their standards. They felt they were more like home movies.

Mr. Kofman: Maybe the satellites--

Mr. Chairman: Yes. I think we have had a bit of a crash course in what is broadcast quality, what happens when you take a tape off a feed and all that. We are mindful of that and, I guess to put it succinctly, the committee is aware it is rather stupid to televise proceedings in a manner no one can use. Whatever goes out of here must be broadcast quality, or people at networks and smaller stations cannot use the material. It is kind of silly to produce a television program nobody can watch.

Mr. Kofman: That was my point. Thank you.

Mr. Chairman: Are there any other questions or comments?

We thank you very much for coming in and we really appreciated your submission this morning.

Mr. Kofman: Thank you.

The committee recessed at 11:50 a.m.



STANDING COMMITTEE ON PROCEDURAL AFFAIRS AND AGENCIES, BOARDS
AND COMMISSIONS

TELEVISION IN THE LEGISLATURE

WEDNESDAY, AUGUST 14, 1985

Afternoon Sitting

STANDING COMMITTEE ON PROCEDURAL AFFAIRS

CHAIRMAN: Breaugh, M. J. (Oshawa NDP)

VICE-CHAIRMAN: Mancini, R. (Essex South L)

Bossy, M. L. (Chatham-Kent L)

Marland, M. (Mississauga South PC)

McCaffrey, R. B. (Armourdale PC)

McClellan, R. A. (Bellwoods NDP)

Morin, G. E., (Carleton East L)

Newman, B. (Windsor-Walkerville L)

Sterling, N. W. (Carleton-Grenville PC)

Treleaven, R. L., (Oxford PC)

Warner, D. W. (Scarborough-Ellesmere NDP)

Clerk: Forsyth, S.

Assistant Clerk: Decker, T.

Witnesses:

Stuebing, E. J., Vice-President, News and Public Affairs,
CFTO-TV Ltd.

Rath, D., Toronto Bureau Chief, CHCH-TV News

LEGISLATIVE ASSEMBLY OF ONTARIO

STANDING COMMITTEE ON PROCEDURAL AFFAIRS AND
AGENCIES, BOARDS AND COMMISSIONS

Wednesday, August 14, 1985

The committee resumed at 2:12 p.m. in room 228.

TELEVISION IN LEGISLATURE
(continued)

Mr. Chairman: I see a quorum and we would like to get started. This afternoon we have Mr. Stuebing, who is here at our request. He is the vice-president of news and public affairs for CFTO. One of the things that spurred us on to inviting you, Mr. Stuebing, was your letter to us. You mentioned a little about how an electronic Hansard might be distributed, and that twiggled our interest a bit as to what somebody in the private sector broadcasting business would expect, what you would want and what might be an appropriate thing for us to recommend.

One of the options we have talked about a little so far is what do we do with some kind of cassette made of the day's proceedings. TVOntario has entered into some very early discussions about the licence you need to broadcast it, the kind of facilities they might have and what kind of circulation it might get. Rogers Cable TV on a number of occasions now has taken a live feed out of here and spread it around Ontario.

We would be interested in any comments you would like to make to the committee about who would use it and how it would be used. We are at a bit of a loss in regard to technical standards and things of that nature, so do not get too technical on us or we will not understand a word you say.

We were interested in this Bell Canada Toronto operating centre and what might be involved in that and what we should take a look at, quite frankly.

If you would like to make some opening remarks, I am sure we will have some questions for you.

CFTO-TV LTD.

Mr. Stuebing: I want to thank you and committee members for this invitation. I do not think there is anybody here who will remember that I made similar remarks to the Camp commission when it reviewed these matters in 1975.

Based on what I have heard and read in recent days, it appears the current government is finally ready to introduce a service to the public which in 1985, in my view, is largely the public's right. Therefore, it is a service that is very much overdue.

As I have already indicated in my letter to the clerk of the committee, Mr. Forsyth, CFTO-TV Ltd. believes there should be a continuous, switched audio and video service from two or more cameras of the full proceedings of the Ontario Legislature, available free at Queen's Park and at the Bell Canada television operating centre on Adelaide Street.

As we see it, the key to the successful operation of this service lies in the primary control of the service by responsible journalists working within clear but flexible guidelines designed to ensure the decorum of the Legislature and the respect due to each elected member and, indeed, the respect due the public whose business the Legislature debates.

In our view, the best existing body to administer the service is the Ontario Legislative Assembly Press Gallery. If, as we believe, the proper production of the service should be a journalistic enterprise of the highest order--I believe some members of this committee have suggested that--the conclusion that it be placed under the stewardship of responsible journalists is inescapable, in my view.

Coverage of the proceedings of the Legislature can go forward under one--if you will permit this--umbrella guideline. From this would flow all conditions and requirements that would be required for the day-to-day operation.

The producer of the service would be responsible for following the proceedings of the Legislature at all times. However, he would be free to shoot reaction material at his discretion. He would do nothing to interrupt the proceedings, although he would be free to record interruptions. Nor would he let his cameras abandon the proceedings in the absence of any interruption to pursue any other focus of his interests.

It goes almost without saying that the producer would not be a party to anything that constituted an interruption of the proceedings, either before or during the fact.

Fears have been expressed, as there always are at the beginning of such ventures, that without the hand of the Speaker firmly on the neck of the producer, there will be much electronic hatchet journalism.

The first thing to be said about this is that the Ontario Legislature is a public forum. The people who go there must expect to be scrutinized as part of the process. It is not a place to go if one intends to sleep or indulge in a generally idle occupation.

If these realities tend to improve the attendance, attention and conduct of members of the Legislature, as I believe they did upon the introduction of film cameras in 1976, who of us can disagree with them.

Finally, with respect to the so-called private cameras, it is CFTO's view that they require no particular justification to stay where they are. They have been a part of the legislative scene for many years and have served a valuable purpose for both

the members and the public. There have been few cases, if any, of hatchet journalism, which I gather at least some people say these cameras would now suddenly begin to generate.

In closing, Mr. Chairman, I would like to thank you and the committee members once again and offer to give any advice, either here or of a more technical nature, because I am not terribly qualified to talk upon technical matters, which CFTO can generate either to you and the committee or to whomever is ultimately appointed by the government to carry out this project.

Mr. Treleaven: Mr. Stuebing, could you just expand a little on this Bell Canada setup downtown that you were talking about?

Mr. Stuebing: I can. It is obviously the property of Bell Canada. I understand, because this is not my area, it is a switching centre at which feeds from all those using Bell Canada microwave facilities have their various feed services coming from everywhere in Canada and throughout the world. If they are coming into Toronto and they are not delivered by satellite, they are switched at the Bell Canada Toronto operating centre--TOC, as it is called--and routed along a local delivery system, either hard-wire or microwave.

In the case of CFTO, to take an example, any service that comes into this city from either outside Canada or elsewhere in Canada, if it is delivered by the common carrier, Bell Canada, is routed first to the TOC almost without exception and then beamed by microwave from the top of that building, which is on Adelaide Street East, to a relay tower on Pharmacy Avenue--you may have seen it; it is a very prominent structure and not very attractive--and thence to CFTO.

The TOC, as we call it, is nothing more than a large switching centre where all kinds of material can be made available or routed on according to the customer's wishes and what he is prepared to pay for.

Again I am not terribly knowledgeable on this, and we would be happy to provide whatever engineering advice you would wish, but the other way signals are delivered in a very widespread way is through satellite. At present, Telesat Canada is the only Canadian federal agency licensed to uplink, as it is called, a signal to a satellite, whether it be Canadian or American. It is in the process of licensing private and presumably other public agencies to uplink, but at present that authority is not there.

2:20 p.m.

Mrs. Marland: I was wondering whether you would like to elaborate on your comment about the control of the producer, having his hand on the shoulder of the cameraman, I gather fictitiously. I surmise from your comment that you have directions and ground rules for that director to follow. Could you tell us about them?

Mr. Stuebing: I have them only in the most general way. What I suggested was that the minutiae of regulations and

conditions would flow from the general guideline, as I stated it, that a producer would be required.

It would be part of the stewardship that the press gallery or any other committee of broadcasters or, presumably, if worse comes to worst, the Speaker's office would be required to follow the proceedings of the Legislature. That means the cameras would be trained on those who are in the process of conducting the public's business.

However, the producer would be free to take what we call reaction shots or to introduce other video material from around the legislative chamber into the finished product, to cut live, at his discretion. This always assumes that those responsible had confidence in the producer's discretion. That is a given.

In that manner, one would obtain a responsible, conservative, if you like, interpretation, following the proceedings and including some material that is of visual and general interest to viewers who might otherwise not be prepared to watch.

I also said, under this umbrella guideline, the producer would be free to record an interruption and make it part of his presentation. He would not have to ignore it. I said it almost goes without saying--but I guess I should say it--that he obviously could not and would not be a party to any kind of demonstration either before or during the fact, and when the proceedings of the House resumed, in whatever way that is done, he would have to follow those.

Finally--and I cannot imagine this happening, but I suppose it is conceivable--he would not be permitted, even if there were no interruptions, to simply let the cameras wander away from the proceedings of the House, that is to say, to abandon them and focus on something he thought was more interesting.

Mrs. Marland: Mr. Stuebing, you said cameras should be able to record reactions. Then you went on to say they should not, however, be part of a demonstration.

Mr. Stuebing: No. I do not think I said that. I said the producer should use his judgement, because on every occasion he is going to have to exercise that.

Mrs. Marland: Right.

Mr. Stuebing: It is going to be very difficult--in fact, it will be impossible--to write down a direction for the producer and cover every occasion on which he will want to exercise judgement in shooting a demonstration, if one has interrupted proceedings. Of course, the biggest thing there will be when he returns to whomever it might be, I suppose most likely the Speaker, who will be restoring order and resuming proceedings.

Mrs. Marland: That is where you and I might part company. I agree with your opening statement that any member of the House is sitting as a representative of the people who have

elected him or her. Personally, I feel the member has to be responsible for his decorum in the House and for his productivity or lack of it. You referred to sleeping. In yesterday's meeting we had some other interesting examples of other things members do from time to time that I have yet to experience in my neophyte term of four weeks in the House.

I feel that if I go into the House as a member and a representative of my people, I should be responsible for the consequences of anything I do. However, I do not want to be in a position where I either enhance or encourage somebody else's behaviour or position.

When there is a demonstration in the House, it may be a demonstration the thrust of which I support or abhor. However, traditionally the House has not been a forum where demonstrations have been permitted or encouraged; and if you have a camera, that is obviously the very thing the people doing it want. They are only doing it for the reaction and subsequent publicity they get for whatever their cause is. I feel that by photographing or recording a demonstration or by broadcasting it live, the result is that there has been support for it.

I have another item, but I would like to hear your reaction to that.

Mr. Stuebing: I do not agree that to televise it is to show support. I understand the relationship, the cause and effect you are describing, and I do not disagree. I only offer a point of view on a couple of things.

There have been cameras in the chamber for a long time, nearly 10 years. I do not know whether in that 10 years or however long it has been there have been more demonstrations than there were previously, but the private cameras as they have been described here have almost without exception made a video record of the demonstration and editors have made it part of whatever programming subsequently arose.

You may feel differently and the records may show otherwise, but my impression is that has not created an increase in the number of demonstrations. All it has done, in my opinion, is to show better what has gone on in the House that day.

Mrs. Marland: I cannot base anything on my experience, so I do not know whether the 10 years the cameras have been there have produced that or not.

I should tell you that as a member of this committee I have not yet made my decision as to whether I support private cameras remaining or whether I feel they should go. At this point, I am absolutely open-minded about that aspect of the subject before us. I am completely supportive of having electronic Hansard in the House, but I have not made a decision about private cameras.

2:30 p.m.

I have been interested to hear comments by the people

yesterday and by yourself, but I would like a little reassurance that if the cameras are there to record reactions of members, that is clearly distinct from recording the behaviour of the public in the public gallery. The privilege of the public to sit in the gallery is to observe the process in the House. It is not to use the House as a forum for their own causes. They are more than welcome to demonstrate outside the House, and groups often are made welcome to do it in that kind of orderly manner.

That is not saying to the public, "We do not want to listen to you; we do not want to hear your concerns." It is saying, "You are welcome to come as a group and demonstrate in front of the House and tell us what it is you are very concerned about, but do not have a lack of respect for what the House represents and for the procedure within the House."

I respect that very clearly. That is the only aspect of your cameraman's recording and your director's direction to his staff about which I would like to hear you provide me with some reassurance.

Mr. Stuebing: We agree entirely. Not to oversimplify it, I am not here today to argue in favour of demonstrations in the public gallery, nor am I in favour of those. Far from it. It would please me and I expect it would please my employers, although I have not discussed this with them, if there were no demonstrations in the public gallery. It seems to me to be a reasonable proposition that there be no demonstrations in the public gallery.

Let me reassure you that I have absolutely no interest in seeing such demonstrations or in promoting them in any way. However, like so much else in life, one has to deal with them when they happen.

Mrs. Marland: If there is a demonstration in the public gallery and CFTO switches and records that demonstration, that is exactly what those people want. It is the very thing that will bring the next group in the next day to demonstrate, because it works. But if the eight private cameras decide they are going to record only our behaviour and our procedure in the House, it is a different scope of control.

Mr. Stuebing: Everything that is being proposed here is predicated on the assumption, the premise if you like, that a greater good will come out of an electronic Hansard, as it is being called. I do not know if that is what it should be called or that is what it should be. I propose something a little better than that.

That is the premise. If it turns out there are demonstrations every day disrupting the Legislature, I will be very disturbed and upset. If there is any way we can determine they are being caused by electronic Hansard, my support for electronic Hansard will quickly fade if the Legislature is disrupted in the manner you foresee, perhaps quite wisely and with better foresight than me.

Mrs. Marland: At the moment, do the eight cameras have

restricted access to the House at any other time, Mr. Chairman?

Mr. Chairman: The television cameras now present in the chamber have very little in the way of restriction on them, with a couple of caveats. They can be there when they want to be there. The most important restriction is one that is rarely enforced. It is understood--and the guidelines were laid down by the Speaker when the cameras were brought into the chamber--that they are there to record the proceedings of the House. They are not there to record any other activity of the House.

I can recall only one or two occasions when the Speaker actually attempted to enforce that rule. If there is a demonstration in the gallery, the camera crews will, by their very nature, try to follow that demonstration. On one occasion, the Speaker intervened and ordered the lights shut off and asked the cameras crews to shut down.

On most other occasions, it happens very quickly. I remember a couple of occasions when there were small indicators that the television crews knew a demonstration was going to occur. The lights came on and the crews came back in. There was some indication they might have known a demonstration was going to break out and the demonstration did not break out until the cameras were in operation.

Most of the time, however, it is a rare occurrence. Within the parameters that they are allowed space in there whenever they want it, as they are, and that they follow the proceedings instead of other events that might interest them, they are allowed access.

Mrs. Marland: You have confirmed what I thought. That leads me to my next question for Mr. Stuebing. Do your directors ever obtain a list of speakers in Orders and Notices? The reason I ask is that I maintain there are times other than question period when it would serve the public very well to have cameras there, but they are never there. I wonder what kind of research CFTO does to find out who else is going to be speaking on what.

Mr. Stuebing: We agree again. I am proposing that an enhanced electronic Hansard will provide, not only to CFTO but to all broadcasters and to print journalists in their newsrooms and to editors who are trying to assess the news for a coming deadline, a live, continuous, switched feed, as I indicated.

Mrs. Marland: I understand that, but you have missed the point of my question.

Mr. Stuebing: That would be available to them at all times.

Mrs. Marland: Right, I understand.

Mrs. Stuebing: If it is available, it can be recorded; and if it can be recorded, it can be played back.

Mrs. Marland: Right.

Mr. Stuebing: We are talking about logistics as well as the principle involved.

Mrs. Marland: The point of my question is, if the eight private cameras were to be excluded from the House, I am trying to establish what kind of a loss it would be to the eight stations when they are there only for question period. They have not done enough research in the past to find out other times when it might be beneficial for them to be in the House, knowing they have free access at all times. Now, suddenly, they are saying they are going to be cut off. What are they going to be cut off from?

Mr. Stuebing: I was addressing that, although I may have been doing it in a somewhat roundabout way. You asked why there is not coverage at times other than question period. I am saying there would be coverage. There are many reasons why there is not coverage now. We live in an imperfect world and people work eight hours a day. The logistics of transporting material to wherever it is going to be broadcast, edited or used are too great. You simply cannot get material on the air.

Most newsrooms are staffed at least 18 hours a day; many are staffed 24 hours a day. If a constant, switched feed of the proceedings of the Legislature is available in a newsroom, it is going to be assessed and used. Right now people everywhere are flying blind to a large extent, because it is, apart from hours of work, physically impossible for your man to be sitting in the chamber all the time.

Mrs. Marland: I concede that, but you have to tell me why you want to retain full access for your camera at any other time when you have not used it.

Mr. Stuebing: I understand that, but in our opinion no justification is required for them to stay there. You are saying you need a justification for them to stay, and that is fine. I do not have a justification thought out on this. It seems to me, based on everything, including the past, no justification is required.

Thinking quickly, I might offer you the view that they are supplemental to what is there. I said to the news director before I drove down here today: "If the kind of thing we are going to suggest were put in place, an exercise in journalism, not the Legislature by numbers," if you will forgive me, "it is highly likely you would not see the private cameras in there except on the rare occasion--or the frequent occasion, I do not know--when a station might wish to do a profile of a local member when that material could be obtained."

In any case, it would be supplemental, if it were there at all, to the superior service, the live service. Based upon history, I do not feel any justification has to be made to say they are to be permitted to stay where they are, unless they are taking up too much space and that space is now needed.

2:40 p.m.

Mr. Chairman: I will intervene for a moment and point out to you that what Mr. Stuebing says is quite correct. We have always provided access. On a few, rare occasions networks or individual stations have taken advantage of that.

I could cite two cases of individual members whose speeches have ever been recorded by a television camera, mostly because mine was one of them. A Barrie station happened to be covering a news story that was of interest in the Barrie area and sent a crew down to do a little coverage of a speech I made, very short in nature. On one other occasion, Global came in for a portion of the debate on a bill. TVOntario provided coverage of the constitutional debate that was here.

The more common practice is that once in a while there will be a broadcast of an event such as the budget night or the throne speech. The beginning of the procedures at each new parliament is generally covered live in some way, so there are perhaps two or three occasions during the year when they use the access.

The interesting point to note here, though, is that for nine years what Mr. Stuebing is proposing could have happened without question and, on a few occasions, CFTO, as one station I happen to know, has attempted to do that, to put cameras at better angles, to offer to provide a common feed, that kind of an idea, which would be operated by private stations where they would join together.

However, during the nine years the cameras have been in, no one has shown sufficient interest to make it happen on an ongoing basis and that is the different agenda we are talking about here. From a news coverage point of view, the workings of the Legislature are not prime-time news eight hours a day.

From the members' point of view, the reason we might advocate television coverage of the complete proceedings is we may be aware it may not be worthy of CFTO's coverage but there may be an item on this afternoon in the Legislature that is of great interest to somebody in Thunder Bay or a professional group somewhere else, so we are making that distinction, I think.

Mr. Stuebing: It certainly seems likely that one of the desirable outcomes of this kind of service would be that the service would be available in total somewhere, or possibly in a number of places, and I think that would be very useful.

Mr. Chairman: Could we get your comments on how you would pick up the feed? We have heard variations of how this is done to the point where, for example, the coverage could be done by some kind of Hansard staff here and a feed made available in the building and we could simply say to anybody who wants it, "Come and get it." Tapes could be made available.

One of the problems we are looking at is that it would be an advantage, for example, for your station which has camera crews down here anyway and certainly has people from your newsroom all over the place. If a great event happened tonight at 9:15 in the Legislature, your crew could be down here, pick up the tape, you

could have that on the 11 o'clock news. A station in Thunder Bay could not do that.

How important is it to take whatever cassette package might be prepared and make that available? How many stations from the north, for example, would be willing to buy into the Toronto operating centre or some other distribution source?

Mr. Stuebing: I do not know the answer to that. I indicated in here that I think the service--however it is constructed and whoever is responsible for it here, whether it is the present Hansard staff or TVOntario working under the stewardship of the press gallery or the Speaker or some consortium, or whatever it is--ought to be made available at the television operating centre so those who wish, in the first instance, may have it live in their own newsroom. That is what I would wish and what CFTO will do if and when it becomes available.

That is to say it will not be necessary for CFTO to record proceedings of the Legislature here or to receive a tape; we will record it in Agincourt. It may be recorded at 42 Charles Street if the network has any interest or use for it. I expect you would find, in all probability, it will be recorded at the network for --I really am not empowered to speak on behalf of CKCO--for stations such as CJOH or CKCO in Kitchener.

I think there would be a number of other stations and a number of other organizations that would wish, if given a relatively low cost of delivering it from TOC to a local news department, to have that service live, as it were, in their newsroom where it could be recorded for later use. That is the first line of use and it will be a great improvement on the way things are done now.

To augment your remarks about what has been attempted in the past, it is true we have attempted to get a consortium interested in broadcasting from the Legislature, but the main sticking point over the years has always been that the government was not prepared to approve live coverage on a continuing basis. There have been many occasions, not just in recent times since May 2, when we have wanted to have the proceedings live in our newsroom for just the kind of use I am talking about now, so that if something happens at 11 o'clock at night, we are effectively there and we can tape it and use it and put it on the air.

Mr. Chairman: At least that much has changed around here. Let me pursue this for a moment. One of the things we are obviously concerned about is that we would like to see that access to a live feed is available. We are somewhat awash as to how to do it. For example, it has been suggested to us that if a feed were prepared here and given to TVOntario, it has the licence to broadcast and the capacity for coverage, which is not total but is not bad either. Would that be of use to you?

Mr. Stuebing: I doubt we would require that. Without regard to CFTO's requirements, it seems to me that it would be sensible in a way if TVO were involved in this venture because of its network and its ability to deliver material to distant parts

of the province where it might then be made available to other stations that are not in a position to deliver the material all the way from Toronto, whether it be to Thunder Bay or wherever it might be. That seems to be a sensible line of approach.

The problem is how much of the proceedings TVO would be prepared to carry on its regular service. It already has programming and there might be a conflict or a problem.

Mr. Chairman: If a cable company, a private company such as Rogers, were given the right to distribute the product, would that be of use to you?

Mr. Stuebing: In all likelihood, we would not feel it necessary to have it delivered by Rogers, because our facilities are in place from the Bell operating centre. We have permanent facilities to Charles Street and then to CFTO, and also from Adelaide to Pharmacy to CFTO. The facilities are there. Once it is delivered to Bell, it is available to us.

Mr. Chairman: Anybody could purchase it.

Mr. Stuebing: I do not know about everybody. Certainly the Canadian Broadcasting Corp. would have a permanent facility from Adelaide Street to Jarvis Street. Perhaps some others do. It would be a simple matter for them to get it.

Mr. Chairman: I think part of our problem is that we know nothing at all about this field. My understanding is that if a feed were provided from here to the telephone operating centre, anybody in Ontario who wanted to buy the feed could buy it.

Mr. Stuebing: That is right.

Mr. Chairman: Are the rates prohibitive? Could a small northern Ontario television station buy the feed?

Mr. Stuebing: They might surprise me pleasantly, but my experience is that some of the smaller stations--

Mr. Chairman: Would not bother.

Mr. Stuebing: --would not do it because of the cost of delivery from Toronto to Thunder Bay or wherever it might be. On the other hand, I think you would find that almost all the Metro area stations would do it.

Mr. Chairman: Maybe we will have to get a little technical advice and go into that a bit more. We are somewhat concerned. We are not interested in providing a service for big Toronto television stations. You seem to have the capacity to handle that all by yourself.

Mr. Stuebing: Not without permission of the Legislature.

Mr. Chairman: We are aware that if we do not provide a province-wide service, there will be members on their feet every day saying, "The south gets something again, and poor old northern

Ontario does not get served by this new process." We have to be aware of the fact that everybody in Ontario has to have some kind of access to it, whether it is a live feed, a videocassette or whatever the technique might be, and that there is equal access to it.

2:50 p.m.

Mr. Warner: I want to pursue this business of the Toronto operating centre. First, I appreciate the fact that you are here, Mr. Stuebing, and for the two of us under more favourable conditions than in the past. It is a far more pleasant experience.

I wanted to mention one thing. We have had considerable discussion about the access question for the TV networks. I have two basic thoughts. I do not see any problem in the cameras remaining. They have been here, and I think it is part of the principle of freedom of the press that they still have that opportunity.

My own perspective of it is that by natural course many, if not all, of those cameras will find that it is not all that productive to be there if they have a continuous live feed of the proceedings. On some special occasion they may want extra shots, but I think eventually those cameras will not be there except on a few occasions. However, that is their business as far as I am concerned.

When we started into this, I had a notion in the back of my mind that what I really wanted to see was a television channel which was devoted to the live coverage, gavel to gavel, of the proceedings. One thought that came to mind automatically was TVOntario because of its network and the fact it has a channel licensed. You are right. Because they have an extensive program already, this may cause them some considerable difficulties and they may not wish to bump programs off in order to run gavel to gavel for our material. That is understandable.

Is it possible for us to still end up with a channel and operate through the Bell Canada centre in Toronto? Is that a possibility?

Mr. Stuebing: I think I see what you are saying. I was going to address Mr. Breaugh on this. You picked up on what I was thinking.

Ideally, what you are looking at here is each cable company, if I understand it, either being directed to or agreeing to make available a channel that will carry from whatever source, whether from the Bell operating centre or whether it is off satellite, whether the system goes to an uplink and goes to one of the Aniks or to a number of the Aniks. We have different areas where they come down, but all the Aniks together cover all of Canada and lots more. It is conceivable that the service could be put up there at a cost--I do not know what it is.

As I would see it, there are two responsible agencies that are going to have to deal with this. There is the Canadian Radio-television and Telecommunications Commission in the first instance. They will come here or you will go to them and say, "Now see here, this is what we think ought to be done for the people of Ontario." Then in their wisdom they will decide whether they are going to give direction to the cable companies to do this, which they are able and are empowered to do.

The second one is how you get it up to the satellite, which satellite it is on and how much it costs. Since Telesat Canada is the agency responsible for all the satellites, the administration, the charges, the uplinking, etc., it would have to decide or be given some direction by the Department of Transport to participate in this.

It is absolutely not beyond the realm of possibility and probably not beyond the realm of possibility at a reasonable cost. As you know, the proceedings in the House of Commons are seen throughout the country by satellite. They are picked up and distributed at various centres to the cable companies. If it can be done for the House of Commons, it could be done for the Ontario Legislature.

Mr. Warner: I assume then that we would avoid all of those problems you mentioned if TVOntario were prepared to carry this--

Mr. Stuebing: Wipe out its programming and plug in.

Mr. Warner: --through to six o'clock, we will say, and run it, because it has already established the system.

Mr. Stuebing: I do not know how it is licensed or to whom it is responsible in the first instance. It was created by the government of Ontario, but presumably has a licence from the Canadian Radio-television and Telecommunications Commission. I do not know exactly where it would go if it felt the need for permission to get rid of all it has now, such as Saturday Night at the Movies. You are not here on Saturdays. I suppose it is possible you could sit on a Saturday night.

Mr. Warner: No, we cannot or we would be in big trouble.

Mr. Stuebing: You might open a lot of space.

Mr. Chairman: We are having a little difficulty stumbling around with this because we are in a field in which we are not very knowledgeable and we will have to get some advice.

Mr. Stuebing: I would be glad to volunteer on behalf of CFTO-TV to talk to our engineering vice-president, who is very capable and knows a lot about these things. In fact, I am sure he would be delighted to come here or at least make a submission. He is very energetic and might be able to give you some advice you would like.

Mr. Chairman: I think we would appreciate that. Essentially, our concern is to make sure the end of the process, in other words, the product that is put together, is as useful and available as possible to television stations, cable companies, whomever. The purpose of the exercise is to provide television coverage of the Legislature to everybody in Ontario. Whether that is possible is another good question. If we were to do it at a price nobody is prepared to pay, it would make it a rather useless exercise, but it seems to us there must be ways of providing coverage.

For example, although we have listened for a long time to how impossible, expensive, etc., this process would be, when Rogers Cable decided it wanted to cover the proceedings of the social development committee, it happened in three days at no cost to anyone here. We also know when the networks decide they want to cover the House, they use the access that has been there for nine years and away it goes.

We are having a little difficulty separating the facts from the myths on this. The fact it involves some high-tech stuff does not help.

Mr. Stuebing: I think one thing to keep in mind, because it is key to why things can be done relatively cheaply when everybody wants to do it and not cheaply when only some do--in this case, the members of this committee, the government or whoever it might be--is that when there is coverage of an important event so deemed by all the news media, they are all here and doing it cheaply, a pool is set up and so on. It is because they all want to put it on and are clearing their time.

Mr. Chairman: Yes.

Mr. Stuebing: Theoretically, CFTO could broadcast the proceedings of the Ontario Legislature to many hundreds of thousands of viewers if it took all its other programming off the air. That is silly, but it makes the point.

Mr. Chairman: Yes. Quite frankly, it might be very useful if someone from your station could offer some comments.

One thing we are a little concerned with is that we are a bit vulnerable if, for example, TVOntario chose to be here tomorrow. I am sure it could sell us a bill of goods on the lines of, "Build us this system and we will broadcast to the immediate world." We would not be in much of a position certainly to refute any technical arguments because we are not knowledgeable in that area, just as I imagine a private television station becomes a bit vulnerable when it moves into new technology. It has never used the equipment and does not know its capacity. Whoever is selling the bill of goods has it at an advantage.

Mr. Stuebing: I am impressed with your point of view about the control and spending of money. It is my own impression a committee like this, or whoever is finally appointed to set this up, could certainly go to Telesat Canada, the CRTC and whoever

else might be in a position to hold sway and say, "You are standing in the way of a profoundly important public service to the people of Ontario." It is not as if you are broadcasting something frivolous. It is very important. With respect to costs and making way, priorities and so on, those are things that will have to be reckoned with. That would be my feeling.

3 p.m.

Mr. Chairman: Do any other members of the committee have questions?

I want to thank you for coming. You have been most helpful and your offer to stay in touch with us may well be one we would like to take up. We have a feeling we are trying to operate rather quickly. I think the members here have a general direction in which we want to go. There are some rather thorny questions around distribution and access to the system and whether the product will be useful.

The one area that remains a bit difficult for us to handle is that from a television station's point of view the kind of coverage that would come out of the electronic Hansard concept may not always be useful. One of the things we picked up when we went to Ottawa is that the members there feel there is a need to review the guidelines and practices around the television proceedings. We are not quite sure how far to go. Members are a little apprehensive.

We would not want a Hansard that wound up being a wild west show and we do not want an electronic Hansard that does the same thing. There is obviously a middle ground there that would be useful to everybody. We are trying to work our way through those guidelines.

Mr. Stuebing: I agree. Not to repeat what I have said here, it seems to me what one would hope for is something that is sensible, that seems sensible and looks sensible and is sensible to everyone. What comes from Ottawa now does not always look sensible. On the other hand, as you say, it cannot be a wild west show.

I would certainly say on our own behalf--and I would presume to speak for others of similar responsibilities in other organizations--I do not believe that is in any way what the people who run television news broadcasts in this province want.

Mr. Chairman: Rest assured it is our intent to try to do something sensible for a change. We hope it will be of use to you. We may well be back to you because we do appreciate we have some little difficulties here. If we put together something that is of no use to you or other television stations, it does not totally alter our position about televising the proceedings, but it does certainly hamper them.

Next we have Dan Rath representing CHCH-TV. Dan, this is a little different for you, but we are going to ask you some

questions today. We want you to have the opportunity to go through your presentation. We will start by saying we appreciate your taking the time to appear before us. Just go through it, and I am sure the members will have some questions for you shortly. I have had a chance to look through your brief and I would just like to hear that.

CHCH-TV

Mr. Rath: Thank you very much for inviting us to come here. I should tell you before I start that my brief will be supplemented at a later date by an additional brief from our news director in Hamilton who has some additional views he wishes to express.

CHCH-TV news is grateful for the opportunity to offer commentary on the proposed introduction of an electronic Hansard in the Ontario Legislature. Channel 11 has provided regular news coverage of affairs at Queen's Park since 1958. Our station welcomes the long overdue initiative of permanent, full-time television coverage of the activities of this House.

However, our concern is that the right of access to the Legislature now enjoyed by television news crews may be compromised in the institution of full-time, hard-wired broadcast facilities. We believe it is of fundamental importance that television journalists and their attendant cameramen and tape-sound operators be accorded access to proceedings equivalent to that granted print and radio journalists.

To infringe upon the access of television would be to create a different strata of reporters, a particularly unfortunate possibility when matched with widely recognized surveys indicating that most Canadians absorb most of their perception of current events through television news and that television is the most trusted news medium.

An argument may be expected that since proceedings of question period, for example, will be televised and since a feed will presumably be available to all television news broadcasters, the independent television cameras recording question period will be redundant. If television news relied only upon a verbatim transcript or audio recording of the proceedings, this argument might be well worth considering.

But television news goes much farther today in its coverage of this Legislature. The independent television camera is currently permitted to enter the chamber and observe with the same freedom any constituent might expect to have. It may record any and all actions that transpire, from the facial reaction of a cabinet minister to a question to a protest in the public gallery.

Acting as the agents of constituents who are unable to observe these proceedings at first hand, television journalists condense, edit and report what they and their cameras see. The ability to place an independent eye inside the chamber is essential to the job of a television journalist. We believe it is

a privilege that should be recognized, guaranteed and retained in conjunction with the electronic Hansard. Though we may not use this ability daily, we wish to reserve it as an option.

The need for independent television news coverage of legislative affairs will not be diminished by an electronic Hansard; it may be enhanced.

In his Lectures on Communications in the Modern World in 1959, journalist Edward R. Murrow wondered, "Can ordinary people be reached with complicated truths?" We in television news believe they can.

However, as Bob Schieffer, the chief Washington correspondent for CBS news, pointed out in a speech last year, "When we are bombarded with a flood of information about momentous events, one result may be that we are only numbed by the flood of information."

The overwhelming volume of information that could flow from this House would provide a considerable challenge to the most ravenous consumer of television; he could no doubt devour it all and might find himself a victim of indigestion.

Schieffer continued: "We"--being television journalists--"are the profession that provides information to a democracy about itself in order that members of the democracy can make intelligent decisions about how they wish to live and to be governed. Through good judgement, professional training, respect for the truth and the English language, it is our role to alert society to meaningful developments."

It is that ability to discern the meaningful and sweep away the superfluous that renders television news as indispensable as any of its fellow media.

Independent television news coverage should be retained intact, in tandem with an electronic Hansard. Viewers may come to view the two as complementary and inseparable, much as a sports fan might enjoy a full-length broadcast of a baseball game and then relish the highlights on a late sports broadcast. For the majority who will choose not to watch proceedings in full, television news will continue to be the preferred medium for absorbing coverage of legislative affairs.

When an electronic Hansard is installed and operating reliably, many television journalists may choose to rely upon it as their method of recording scheduled proceedings. Ambitious reporters may then embark on more detailed coverage of issues, trends and other discrete topics, confident that the day-to-day events of the Legislature--their bread and butter--will be recorded as a matter of course.

Recognizing that we may choose to use tapes of proceedings recorded by the electronic Hansard, we are concerned that the raw material provided will be as useful and comprehensive as tapes that would be recorded by our independent cameras.

We recommend that careful consideration be given to the number of cameras installed and their positioning, to the use of a skilled technical director and/or switcher-operator and to the use of a split screen or other video manipulation techniques to provide the most accurate depiction of the events transpiring. The last point requires some elaboration.

Ottawa's parliamentary Hansard provides a close visual equivalent to a written or audio Hansard. The person speaking is the person shown. However, as anyone familiar with this Legislature is aware, focusing on the person speaking may not impart the whole story. In spite of the rules of order, often two people speak at once, or a prolonged and unrecognized interjection may change the course of the proceedings. Ottawa's rigid format refuses to acknowledge these events and may leave viewers without a clear impression or understanding of what they have watched.

However, by using a split screen or a similar video manipulation technique, two speakers could be shown simultaneously. A minister of the crown could be shown listening to a question. An opposition member could be shown listening and reacting to an answer.

By imbuing the electronic Hansard with these techniques from its inception, we believe members of the Ontario Legislature would have the opportunity to give their constituents the most compelling, watchable and easily understood televised legislative proceedings possible. To do less, or to restrict or remove the ability of independent broadcasters to perform their function as they see it, would be tantamount to censorship.

3:10 p.m.

We do not propose to offer extensive advice on the acquisition of hardware for the electronic Hansard system. However, we are concerned about reliability. Top-of-the-line, broadcast-quality equipment is recommended, along with skilled, experienced operators and maintenance staff. The electronic Hansard should not be viewed as an experiment for a system or a learning project for its staff, but as a serious application of proven technology by competent professionals.

We assume the electronic Hansard will be made available on site to all television stations holding active membership in the legislative press gallery. Feeds from audio and video distribution amplifiers will be provided, presumably in a location in the Legislative Building. It is conceivable that feeds could be piped into the press gallery offices of TV members.

Distribution to broadcast outlets outside the Legislature presents the potential for ominous complications. Television stations outside Toronto are entitled to comprehensive service, but delivering that service will not be simple, particularly in the north. We recommend a full exploration of distribution of the electronic Hansard in conjunction with TVO, the Canadian Broadcasting Corp., the CTV network, Telesat Canada and the cable TV industry.

While it appears certain the daily question period will be covered by the electronic Hansard, the intention is vague regarding other activities in the Legislature. We recommend that consideration be given to extending coverage to legislative committees. The legislative press gallery might embark on regular consultation with members and with the Hansard office to determine which committees merit electronic coverage.

In summary, we hope members of all parties will endorse and support this opportunity to provide television viewers with an invaluable service, an insight into the workings of parliamentary democracy as it is practised in Ontario.

Mr. Chairman: Margaret, do you have a question?

Mrs. Marland: Yes, I do. Mr. Rath, you have some interesting statements in here, not the least of which is the suggestion that if we went one way, it would be tantamount to censorship.

The statement I would like to ask you about is at the top of your second page. You say, "The independent television camera is currently permitted to enter the chamber and observe with the same freedom any constituent might expect." That is very true, except a constituent does not have the vehicle that is in the hands of that television camera operator.

I have to ask you the same question I asked earlier. I do not know if you were here when Mr. Stuebing was here. I want to make it clear that the concern I have about the private cameras being in the House is not what they record about the members. The members have within their control their reactions, their behaviour and their words, but they do not have in their control the behaviour, actions or words of people in the public gallery who may be in violation of the rules and the decorum of the House.

I feel so strongly about a forum being misused that I do not want to make a decision, as a member of this committee, that might support the misuse of that forum. If I vote in support of eight or any number of private TV cameras staying in the House, I want the assurance that those cameras are not going to lend support to demonstrations by others than members of the House.

If there is a public demonstration in the gallery, it does not matter what the subject is--I do not want to quote examples in the past where publicity has enhanced a position or an opinion I did not happen to agree with, within or without the House--it is not permissible, in my opinion. That is not the forum.

I wonder if you could tell me why you liken the ability of an independent television camera to observe to the same freedom of constituents when they are in the House and see what they see. They cannot take photographs from the public gallery. They cannot even take notes, which I agree is absurd. People should be able to take notes in the public gallery, but at this time they cannot do that.

There is no similarity at all between private constituents and the camera. The camera is the eye for millions of people. I

wonder why you make that statement. In fact, you compound it, because you go on to say it may record any and all actions, even "to a protest in the public gallery." If you were willing to remove the last seven words of your paragraph, you would have my support.

Mr. Rath: Can I clarify the beginning of your question? If the private cameras are permitted to remain, are they expected to continue to take pictures, as they admittedly do now, of protests in the public gallery?

Mrs. Marland: If I have to be very specific, could I ask you if your camera were to remain in the House, would you be willing to give direction to your director to exclude recording demonstrations in the public gallery?

Mr. Rath: I do not think anyone can provide that guarantee. In fact, the only guarantee I can provide is that the practices currently observed will probably continue, and that may include showing the proceedings in the gallery.

Mrs. Marland: Just a minute. Your cameramen and your directors work for you, and if they want to keep their jobs their jobs can be guaranteed by their following directions. What I would need to know is whether your television station would be willing to give that kind of direction.

Mr. Rath: Not to photograph demonstrations in the public gallery?

Mrs. Marland: Yes.

Mr. Rath: First of all, I would be interested in seeing the process by which a determination would be made for that to be a policy that is going to be enforced by the Speaker's office. Second, I do not see how that can be policed, how it can be enforced, if someone can keep track of that.

Mr. Chairman: The question Mrs. Marland is trying to get out here is an awkward one because we have never done it. With rare exceptions, the cameras can and do shoot whatever they want.

To be blunt about it, I would say what you probably would not say. If your cameraman were in the gallery on a day when a demonstration occurred and every other camera crew filmed that demonstration and your guy did not, I suspect he would not be there the next day. His job is to gather the news, and if everybody else gathers the news, your person is supposed to do the same thing.

Margaret has asked this on a couple of occasions. Maybe it does beg the question that at some point the Speaker could stand up and say: "Yesterday at 2:30 there was a demonstration in the gallery. Last night at 6 p.m. we gathered up the tapes from everybody's newscast and every news crew here covered that demonstration when it is clear that you are here at the pleasure of the House. You were directed initially when you came in, and even though you may not be here the directions were given that you are not to cover anything other than the proceedings. Everybody out of the gallery."

No Speaker has ever done that. My memory might fail me a bit, but I do not recall a Speaker ever calling them to order. The truth is they are here with direction.

Mrs. Marland: If this committee decided to approve with the installation of electronic Hansard, or whatever name it will have, the continuation of the independent cameras on the condition that they do not photograph demonstrations and record only the proceedings of members of the House, and not anyone else in the public gallery, that would apply to every station and to every camera. The first time it was violated would be the first and last time they would be in the House. Would that be something we could tell the stations?

Mr. Chairman: The problem Dan would have would be simply this. You cannot to say to Dan Rath and the CHCH crew, "You cannot take a recording of the news that happened"--a demonstration in the gallery--when the Globe and Mail reporter at the other end of the chamber can write it all down and go outside and get interviews or Dan, for example, can take a camera crew outside and talk to somebody who saw the demonstration or to the demonstrators.

Mr. Rath: The Globe and Mail's photographer could have his camera at the same time and a picture would be on page 1. Following the rules, as you are suggesting, we would not be able to match that.

Mr. Chairman: That would be the problem.

Mrs. Marland: But it comes back to the point I made yesterday, which is that the impact of television is far greater than that of the print media and a still photograph. That is confirmed by the fact that if you want to advertise on television, the cost is on the ratio of comparison of value to the viewer. The value in advertising is based on impact, and the impact of seeing a demonstration on a moving television broadcast is far greater than seeing a still photograph on the front of a paper. It is that kind of thing that influences people. In my opinion, that forum is not designed for that kind of influence on the public.

3:20 p.m.

Mr. Bossy: We have to get back to a difference. All we are talking about is 20 minutes to half an hour of outside media attendance in the House when a demonstration could happen. In introducing an electronic Hansard, we have to be concerned that we set the guidelines for our electronic Hansard not to photograph demonstrations in the galleries, because then we would be giving gavel-to-gavel access for people to come in while you are speaking and put on a demonstration.

The cameras would divert attention from what you are talking about. It could be unrelated or it could be on a bill that is relevant. They could come in at 6 p.m. or God knows when. They would know there was an electronic Hansard with full-time cameras, and if those cameras were given access to photograph that, the full time would be available. At present, it is only by chance that a demonstration happens while the media people are there, primarily for question period.

After nine years of access to the House or of recording demonstrations, if we hear of one or two, whenever it happened, it must have happened during the 20 or 30 minutes they are in House because right away they are out in the scrum. They are not going to come back unless they have been warned ahead of time.

We must remember that we are introducing electronic Hansard, full-time television in the House, and that will open up that area for a full day of access for demonstrators. That is the only area I am worried about. I am not worried about (inaudible). I have said before that is your business; we have given you access to the House. As far as all the highlights for the rest of the day are concerned, you will likely find that television in the House will be so good that you will not need to have camera people there. However, you should have access if you want to be there.

Mr. Rath: Perhaps I could elaborate for a moment on the argument that I believe exists in favour of permitting the Hansard cameras to record disturbances or protests in the gallery. I think there is an argument to be made. It will not be made by me as a viewer or a consumer of news, and it will not be made by someone else who lives down the block from me or who lives in the viewing area of a Toronto television station. The reason is quite simple. If it happens, regardless of how important or significant it is, he might see a few seconds of it on his news that night by virtue of the fact that he lives within the coverage area.

Where you are going to run into argument is from someone who lives in Kapuskasing and gets two or three television channels, one of which will be this new Hansard. His argument is going to be: "For the guy who lives in Toronto, he is getting an exact, true, balanced complete version of everything that happens in that House on the news. Because I happen to live way up north, I only get what the government decides is appropriate for me to observe, which does not include demonstrations in the gallery."

You cannot deny these things are happening. I feel quite sorry for the guy up north who does not have the ability to see it and now has a pretty good case that he should see everything. It is happening. Speaking as someone who tries to get facts across, it is the truth. It is what is going on, regardless of the weight or significance of it as it fits into the entire picture of a day's proceedings here. That fellow has a right to expect it is somehow going to make it to him in some form or degree.

Mr. Bossy: We see this every day when we turn from channel to channel for the news. Each station reports the same area of concern differently. What difference would it make if we as members say the televising of the proceedings, the business end of the Legislature, is the goal we set and what we want broadcast out there?

We are not interested in all this other extravaganza or whatever they want to add in to make a show out of it. This is not a show; this is the reporting of the business that transpires within. That demonstration is not the business of the House. It might be an extracurricular activity when a guy is picking his nose or whatever sitting in his chair. That might be something a

newsman might find interesting to report, but we are not interested in reporting that.

We want to report what business is going on in that House to help educate the public out there about what business is transpiring. We are not going into television production here to make it exciting to watch this; it is only to report factually the business that transpired, whether it is in committee or in the House.

You report one way to your station. We have had other reporters here, and we have had television cameras here. I have switched stations to watch the reporting about this committee. One station has shown you in part of the proceedings; the other one has shown the chairman or someone else. That still indicates what is going on here but uses different areas of what they may feel is more important or better to show.

You are opening up this thing for that producer or whoever is running the camera to select what he thinks is more important, whether it is a guy speaking or the guy who is making a fuss up in the gallery.

As members, we have to look at whether we should be reporting what business goes on in this House. You do your job out there as far as reporting is concerned, and God knows what you want in your gallery up there, or you can combine it with what we are producing. However, we should be setting guidelines for what should happen as far as our business is concerned.

If anyone wants to add to that they can go ahead, but I feel we should have two different systems, the media and electronic Hansard.

Mr. Rath: A question that is raised would be, what happens when a demonstration occurs in the gallery which affects the proceedings in the House? Say there is a disturbance up top somewhere and the Speaker suddenly declares a recess. If you are sitting at home, 100 or 1,000 miles away, if you do not see that protest, or if some indication is not given to you that a protest has occurred, what you are going to see is 125 people suddenly getting up and walking out of their seats.

Mr. Bossy: This can be run across the screen or it can be done as they do federally, where the opening and closing remarks are done by the Canadian Broadcasting Corp. The proceedings are broadcast by the House of Commons. Leading up to the opening, usually the CBC comes on and describes what the proceedings will be for the day, or there are concluding remarks at the end. I still feel this can be done.

Mr. Rath: I want to raise one point that is somewhat interesting to me. This is something I have not touched on in the brief. There is a need for some way of providing a type of introduction and a type of conclusion. There is perhaps a need to find some mechanism, or some pattern or format, for giving the viewers an agenda of what is going to be covered, if that is possible, and of updating it during the broadcast. That would be

very useful in reaching that goal of trying to show people, as accurately as possible, what is going on here.

3:30 p.m.

Mr. Chairman: That is a concern we share. Are there other members of the committee who have questions? I have a couple of areas I would like to get into because you raised a couple of matters we struggled with a little.

You made a bit of an argument here that in trying to get an accurate portrayal of the business of the House, whatever techniques are available should be used, whether that is a split screen or not. The federal House, in televising its business, has a very rigid technique that has become its practice.

Members of the committee have been subjected all week long to television crews wandering around the room shooting reaction shots, background shots, whatever they want. Ironically enough, when we tried to discuss this initially, everybody got a fixed perspective on it; they did not want any of that, no split screen, no reaction shots, nothing. Yet all through our deliberations that is what we have had and that is what has been broadcast on the evening news on networks all week long.

It does not make much difference to me, and other members may want to discuss this a bit later, but I appreciate that it is a little awkward when there is a cameraman walking around. It is not nearly as bad here as it would be in the Legislature, I suppose, just because there is a little more space. If there were eight camera crews in here this afternoon instead of one, we might have a bit of a problem.

From your point of view, how important is it to try to integrate some of that into televising the proceedings, whether that involves the use of a split screen or reaction shots or whatever the technique might be? How important do you think that is in trying to present an accurate picture of the proceedings?

Mr. Rath: It is my belief, and it is possible to substantiate this, that television viewers are capable of taking in an almost unlimited quantity of visual information. If there are two pictures on a television screen, they can observe both of them without losing any of the content.

Let me give you an example. Say a camera was shooting me talking right now and another camera was shooting you listening to me and a cut was made between those two shots. For someone sitting in another room watching that on a monitor, the impact of seeing your face listening or you blinking your eyes or nodding your head, or whatever you are doing--the impact of that picture going into that person's head would do nothing to detract from the content of what I am delivering.

As I say, it is possible to substantiate that, though I do not have any study or survey to can indicate that.

To use another example, let us say a question is being asked

in the House during question period and a minister of the crown arrives who is expected to deliver a major budget statement or a financial statement or something like that. If, during the person's question or the response to a question, the technical director decides, "Here comes the guy everybody has been waiting for today; let's give them a shot of that," as this fellow walks in and sits in his chair so we know he is here, that is a rough situation. However, it is not going to detract from the audience's understanding of the train of thought or the line of questioning that is going down on the television they are watching.

Mr. Chairman: There may be some validity in trying to expand how the proceedings are televised, whatever techniques might be used. However, we are having a little problem with how big an intrusion that would be. Personally, I tend to agree that you get a more accurate portrayal of the business of the House the more you allow the techniques to be used.

For example, when you watch a ball game, to get an accurate picture of whether a ball was fair or foul, you have to use some different techniques other than just putting a camera behind home plate and shooting that picture. We are all accustomed to the idea that to try to help people get an accurate portrayal of whether some guy was safe or out, the television networks use two or three camera angles, telephoto lenses, stop-action, split-screen--an endless variety of techniques--to portray what was the fact of the situation.

I do not sense we want to go to that extreme, but we may want to provide a little more latitude than what we saw in Ottawa, for example. If it is worth it to get an accurate portrayal, it is probably worth the exercise to try to work our way through that. However, it is difficult ground for us.

Mr. Rath: I am not quite sure what the mechanism is that should be gone through to determine where the cameras should be placed. I have not given any consideration to where you should have the cameras--on this side, on that side and one up top--or exactly what should be done. Somebody might suggest that you should have a cameraman with a cable stuck on the end of his camera walking around on the floor taking pictures of things that are going on. I do not know. In some legislatures it is done, as you may be aware.

I do think it might be a good idea to provide for some flexibility with the positioning of cameras during the first three months, six months, a year or something like that, to try a bit of shuffling or moving around, to find out what people like myself think is doing the job properly. I think it simply has to be left somewhat open-ended for now.

If you would like to hear from people like myself on a specific layout in the House or in a committee, it can certainly be provided. I could do it and I am sure my colleagues could give it some serious thought.

Mr. Chairman: After we begin to televise the proceedings, one of the things the committee sensed the other day

is that it would be a good idea to have a standing committee of the Legislature in place to foresee comments, criticisms or whatever from people who would use the electronic Hansard, from members who would be subject to it, from stations and others who might be able to offer some comment.

It appeared to us that people in other jurisdictions set it up and ran a system. Then it sometimes went on for a lengthy period and nobody bothered to do anything about it. They had devised something originally which was either perfect or at least they had it done and they were not about to listen to how it might be changed. We sensed that some mechanism was necessary to review the process on an ongoing basis.

Does anyone else have any comments?

Mr. Sterling: Yes. I wanted to go back to the whole idea of whether you should be permitted to continue to televise in the Legislature after the TV is there. I guess the problem I have with the issue is that basically the purpose of a public demonstration in the House, which is against our rules, is to capture media attention. That is the sole purpose of it. It is not to influence the debate because presumably it is not going to influence the debate anyway.

If that is the prime purpose and it is against the rules, do you not admit that by your televising that demonstration you are aiding and abetting that demonstration?

Mr. Rath: It is a difficult question. It is the toughest question we face in trying to determine what we put on the news every night. The cause-and-effect relationship is extremely difficult to establish.

What do we do? Do we ignore the fact that someone is up there holding a big sign up or something, or do we give them a couple of seconds of attention which, as you say, seems to be what they want?

Mr. Sterling: That is the purpose. There is no question about the purpose of the demonstration. It is for your lenses. It is not for us sitting on the floor.

Mr. Rath: Or for the other people in the public galleries.

Mr. Sterling, you have been in this House virtually daily as a member since June 27, 1977, which was the opening day of that session and you were here on that day. How many demonstrations have you seen in the gallery that you think were directly related to the fact that television cameras were there that might record them?

Mr. Sterling: I think every demonstration there has a reason. You aided and abetted every one.

Mr. Rath: Aided and abetted?

Mr. Sterling: Yes. Because if you had not recorded it, it might not have shown up.

Mr. Rath: We also shoot fires but we do not light them.

Mr. Sterling: No, but fires are not against the rules that can be controlled.

Mr. Chairman: It is sure against somebody's rules.

3:40 p.m.

Mr. Sterling: I guess what I am saying is that this Legislature is caught with a problem. We say the rule is that there are no demonstrations. What sanctions do we have against a demonstration? The only possible practical sanction we have is to exclude you from taking a picture of the demonstration. That is the only sanction we have. We do not have anything else. We can charge them with--

Mr. Chairman: There are a few others.

Mr. Sterling: Practically speaking, Mr. Chairman, I think even you will admit it is impractical to charge them with mischief, or whatever. All it does is heighten the demonstration.

Mr. Chairman: The problem he is trying to get at, and it is one we wrestled with a little yesterday and will probably do it again, is it is pretty tough to make a judgement call on whether the demonstration happens because the cameras are there. The truth is there have always been demonstrations in parliament, television cameras or no. Before the cameras were in the House, there were demonstrations. It is funny you should mention it.

For the same reason, every assembly has a tendency when a demonstration occurs not to charge people, because you are into that judgement call again. If someone comes in and holds up a little sign, that is a nothing demonstration. If someone comes in and holds up a little sign and the Legislative Assembly of Ontario charges that person with trespass and puts him in jail, you have taken a minor incident and made it a big one.

I recall one occasion out front when a guy from Bancroft came in with a toy dump truck with a load of radioactive soil in it. Every camera crew in the building went out to see this guy tow it on a little string across the front lawn. Somebody got the wise idea that this person should be charged with trespass. A 20-second newsclip became a 30-day news story and people thought it was amusing that the province of Ontario would take this guy to court.

There was a little trouble finding a cop who was willing to press charges initially. That, of course, is a news story in itself. Off he goes to court and we crank out the Attorney General's office and some judge gets involved in it. Somebody should have said, "Go home," but we charged him and instead of having a nonstory, we got ourselves a big story. In that sense, the assembly did the same thing. If we had had the good common sense to say, "Nice demonstration, see you later," it would have

been game over. We made it. We aided and abetted a demonstration. So we have the same problem you do.

Mr. Rath: The other point, Mr. Sterling, is that if you say the television cameras cannot do it, what do you do to enforce that ruling for other cameras as well, for the still cameras, for the Globe and Mail, the Toronto Star, the Toronto Sun, Canadian Press or anyone who may have a camera in there and who may choose to crack off a picture?

Mr. Sterling: Maybe we should say to the press, if they would accept this, that they cannot take a still or moving picture of the public gallery.

Mr. Chairman: Except some devil will do it. They carry tiny cameras in their coat pockets and shoot pictures of you when you fall asleep.

Mr. Sterling: Then you can expel them.

Mr. Chairman: You have to find them first.

Mr. Sterling: Presumably if it appears in the press, you know who has done it.

Mr. Chairman: Yes. One of the compromises the federal House has is that two still photographers roam up and down the corridors, take pictures and feed them into a pool. I am not sure that is much of a solution either.

I am not sure if everybody knows this, but I know in our gallery there are people up there with still cameras all the time. It does not take very long when some little incident happens before somebody from the Toronto Sun or the Toronto Star, or even the august Globe and Mail, will walk in there and shoot a picture. I have even seen them print the things in the newspaper the next day. So that problem occurs.

Mr. Sterling: As I think this thing through and I hear more and more discussion, it seems the sanction issue is the most important part of the whole argument against permitting that kind of shot, whether it is done by you or anybody else.

I have no great objection to indiscriminate shots, except that allowing indiscriminate shots by journalists at their behest makes a mockery of any other rules we set for our electronic Hansard. We might as well forget about the rules. If the guys up there can take whatever shots they want, what is the sense of setting rules for our director?

What is the difference? The whole process of setting rules for electronic Hansard becomes rather meaningless. If we are going to have TV coverage, we might as well say to the director, "Be as fair as you can, give them as many shots as you can, but those are the rules."

Mr. Chairman: That is part of the problem we have.

Mr. Sterling: If you do not control it, or the Speaker does not control it, and that is what we are talking about here, the Speaker is not controlling the House. Effectively he is not controlling the House any more, unless journalists are willing to agree and abide by rules surrounding their conduct in the Legislature in relation to that. If he says you cannot film public demonstrations, that instruction has to be followed.

Mr. Chairman: I think the real difficulty is, if we apply the same criteria to members, we would all be in hot water. If we said to them, "These are the standing orders. Thou shalt not..." the Speaker would never give a ruling and the members would probably never show up if that happened. I do not know of a member here who does not challenge the rules in some way from time to time and force the Speaker to make a ruling. I hate to admit it publicly, but I know members who have actually taken tape recorders right on to the floor of the Legislature. Can you imagine it? People have taken all kinds of things there.

Mr. Newman: They probably do not take best-sellers.

Mr. Chairman: Probably not. Whatever rules might be put on, they are going to be interpreted and constantly challenged. That is life. That is the way it is.

I am not really of a mind to be very harsh on television camera people who have been there except that I think--maybe we should get this on the record--television reporters in this assembly sometimes have caused their own problems just by not thinking. The right to be present and to televise the proceedings does not necessarily always give them the right to walk out when they want and create a major disturbance. If print reporters at the other end of the chamber caused one every time they went out, I think members would take note of that as well. That is part of our little problem here.

Mr. Treleaven: I am listening to us really discuss the process of sterilizing the House. It just occurred to me we live in the real world. We are politicians who represent constituents. We go to our ridings and tell our constituents we are one of them and we represent them with their problems. Television is part of that real world, like it or not.

We seem to be dwelling inordinately on the narrowing in, almost as if we are trying to pretend television and this chamber are not aspects of the real world. We are talking in an artificial vacuum here. I just throw out to you, in an extreme situation, why would you really have any rules? Why do you not say to the television people the rules are the same in the House as they are on the street or in my riding?

The television cameras, radio and written press can take my picture, talk to me or quote me, etc., any way they want in my riding, on the way and as I enter here. Therefore, I am wondering why we set up this artificial barrier and say everywhere else is the real world, suddenly we have a place that is different, and so we have to set up all these rules.

I am not relating only to the existing press--I have been there 10 years--I am talking about the electronic Hansard or television in the House. I wonder whether we are dwelling too much on the narrowing, tightening and sterilization. Perhaps we should broaden our minds a little to consider what the real world is and what our constituents think and what they would expect us to allow.

Mr. Chairman: In large measure, that is what Mr. Rath's brief to the committee is about, trying to present an accurate picture. To tell you the truth, I do what his camera does when there is a demonstration in the gallery. I do not care what is happening on the floor of the House. I do not care who is making a speech. If a demonstration breaks out, I admit I turn round and look at it. It is just the normal human reaction.

3:50 p.m.

Part of what we are trying to do here is assemble some guidelines that are reasonably normal. I am quite amazed we have gone all week with television cameras taking reaction shots all over the place, more than one camera in operation at several times. Someone could walk in that door and take a still picture. People have been writing stories about it and we have all survived the week not badly. I do not think it would kill us if such things happened when the Legislature was in session.

Mr. Sterling: In reaction to my colleague, I have a different perception. I feel the Legislative Assembly is different from any other place in Ontario. I really do. It is a place where I can go in and make a libellous statement without being sued. I can go into that Legislature and hope to make a case for my constituents, presumably under the control of the Speaker.

Rules are there to protect me from indiscriminate discrimination against what my rights might be about speaking. I can rely on a set of rules of procedure to carry on debate on issues. I do not believe it is a television show. Television recording and news coverage are secondary to why I am there. I believe my primary duty is to speak my mind on behalf of my constituents in a logical and reasonable fashion.

I differ very much from what my colleague says. That is the populist way to look at it, popular with you guys and popular with the guys in the street, but we are here as MPPs to defend a procedure that is going to be here long after us and a Legislative Assembly that gives us as elected members certain rights and privileges to speak on behalf of our people. I am very loath to give those up.

I believe the intrusion of the press without rules to control what they do, in terms of what I have said before about aiding and abetting the breaking of the rules, is contrary to each and every member's interest here and his right to present his case for his constituents. I look at that in a very traditional way.

We have to be careful when we get into these things because it is not going to be popular with people to go against what the

press is saying. It is a form of censorship or whatever. That is the way it can be sold and that is the way it will be looked at politically from outside. There is a longer-term interest here. You have to be careful that you are not stepping over the line.

Mr. Chairman: I wonder if they had this problem on the fields of Runnymede. Sometimes we forget there was very good cause for the original idea of the members being able to speak in secret. Monarchs used to take somebody who said something in a parliament they did not like and cut off his head. That is why we chose the Speaker in the first instance. We did not want to get our heads cut off, so we selected one jerk from among our midst to carry our message to the monarch. We have not lost a Speaker that way in quite some time around here. It may be safe to open it up. I do not know.

I expect if we ask the members of the assembly their points of view on what the place is, we will get 125 versions of what it is supposed to be. David?

Mr. Warner: You are going to hear one of them.

Mr. Chairman: Especially at Runnymede.

Mr. Warner: Yes. Mr. Rath, I appreciate the fact that you came here and I have read your brief. Unfortunately, I was not able to be present when you made your presentation. What you and others from the media have raised is, in part, the whole principle of the freedom of the press and the tussle between restrictions on the media which bind them with respect to reporting what happens.

I put it in the context that members naturally, through tradition, have been concerned about freedom of speech. Our freedom of speech as members is better protected than anybody else in our society. We can get up in the House and say virtually anything we want and we are immune. We cannot be sued and we cannot be hauled away to jail. That comes under the heading of freedom of speech. The first time someone attempted to take that away from us, we would be very upset.

There comes with that freedom a certain responsibility. It is assumed that members will exercise a certain responsibility and not make outrageous statements or unfairly malign people. It happens occasionally, but if one looks at the number of speeches made over the history of parliament, the occasions when totally outrageous statements that were harmful and hurtful have been made have been rare because, for the most part, members exercise care about what they say.

I would like to take that kind of model, transpose it and look at the freedom of the press, which brings with it a responsibility to report accurately and honestly.

Mr. Sterling: They are not elected, though.

Mr. Warner: It does not matter. I am saying it is a certain freedom. We talk about freedom of speech and with it there is a responsibility which most members exercise almost all the time. There is another freedom, which is freedom of the press, and with it is a certain responsibility, which the press exercise almost all the time.

If we are prepared to tamper with that freedom of the press, then perhaps we also are prepared to tamper with freedom of speech. I doubt the latter is about to happen. I would not want to tamper with it; nor would you want to tamper with the freedom to worship your own religion in this country.

There are certain freedoms which we feel are part of a democratic society. If somebody tampers with them or attempts to take them away, we get very upset. I suggest that when we start talking about limiting the members of the press by placing artificial rules or restrictions on them, it is a serious thing.

Mr. Sterling: Sure it is. We have rules that prevent them from saying things.

Mr. Chairman: One of the things you should remember also, David, in all of that is that even as members we have rules and limitations placed on us.

Mr. Warner: Yes, no question.

Mr. Chairman: We all know members who have wanted to say something. I even know one who got up and said it, and the price for saying it was that the Speaker would not recognize him for the better part of a year. There is not total freedom here. There are some rules and there are some things we cannot say. Even if you walk in the chamber and you know somebody is lying through his teeth, you have at least to be sufficiently dextrous to find another way to say what you think because the Speaker will not let you mention that.

Dan wants to get into the argument.

Mr. Rath: Perhaps I could offer one insight. To put this in the context of the electronic Hansard, we as journalists recognize that there is a great sense of decorum and tradition that we observe here. We try to abide by it, live within it and recognize it is important. We all do it, as you as members do. The electronic Hansard, the televised proceedings, should observe that, but not to the extent that it would offer the people of Ontario a sanitized, cleaned-up version of what transpires here. For one thing, it would not be accurate. As someone who is, I hope, in the business of conveying accuracy, facts and truth, I would find it quite offensive if it were laundered or washed.

Mr. Chairman: There is some agreement; the disagreement is about how we do that.

Mr. Sterling: Yes, it is how to enforce it.

Mr. Warner: It is a straightforward question.

4 p.m.

Mr. Sterling: I would put a similarity in terms of televising court cases and the whole debate that is going on in the United States and here on that matter. When the television cameras are invited into the courtrooms, they have to submit to rules in order to protect the accused and the witnesses from being misrepresented and to give the whole process protection. In other words, restrictions are put on how a reporter can come in and what he can do inside a courtroom.

I guess what I am saying is that in some ways, to preserve that process, there has to be censorship of some sort. I am saying that in our particular case, to preserve our process, our rules and our fairness, there must be some kind of censorship.

Mr. Rath: Perhaps Mr. Justice Samuel Grange might have some insights to offer the committee regarding the impact of cameras in the court-like atmosphere of the royal commission he conducted for, I believe, a little more than a year. I have seen him interviewed and I have spoken to him in person. My understanding of his thoughts is that he thought it was not a hindrance. You would be better to hear that from him.

Mr. Warner: During the last couple of days, I have taken the opportunity to discuss the operation of this committee and what it is about with a couple of my colleagues. They basically said they do not have a problem with cameras still having access to the gallery. What they are concerned about is the safety aspect of cameras going over the railing. Has that been solved? I missed the last point.

Mr. Rath: Yes. Each camera has a chain with a hook on it and the hook is attached to the camera, which is attached to the tripod. The whole mechanism is supposed to stay in one piece. If by some accident--

Mr. Sterling: You get not only the camera; you get the tripod as well.

Interjections.

Mr. Rath: We assume if it ever did happen and one of them got bumped over the edge, it would not make it all the way. It would just lean halfway over.

Mr. Chairman: It would bounce off the member's head. It would not hurt the camera hardly at all.

Mr. Warner: I was more concerned about the pages than the members.

Mr. Sterling: If this committee and the Legislature decide to continue to allow the press to have cameras, we are going to have to remedy the situation in some way.

Mr. Warner: That issue is minor, too. It is a tempest in a teapot. I think it is incredible. We have spent a lot of time on it. It is not that big a deal. The cameras have been there for 10 years and the place has not come to a halt. To tell you the truth, I think that by natural course most, if not all, of those cameras will eventually find it is not profitable to be there and that it is a waste of time. If they want to be there, fine. They have been there for 10 years. Why the heck remove them?

Mr. Rath: I might make a couple of quick comments based on what I overheard from the conversation with Mr. Stuebing on how to get it out of here. I think the technology and most of the downlinking and transmission capacity are there to look at some type of satellite feed.

As I mentioned, TVO should be involved, but at the same time I do not think you can move in and suddenly decide or urge TVO to decide that all the educational programming that runs during the day, which is watched in schools all over the place in the morning and the afternoon, is suddenly going to be dumped and we are going to replace it with this. I do not think it is really fair to expect that degree of co-operation.

Perhaps an application could be made to the Canadian Radio-television and Telecommunications Commission for an earth station, for a satellite uplink based here, operating entirely out of here on a channel that--it is my understanding there is a lot of satellite space available, if you see what I am talking about. It is available and could be used. If it is up there, virtually every cable system would have the ability to get it out to the people of the province. Virtually every cable system would be able to take it down, would be able to receive anything that is put up out of here.

It seems to me, in that sense, you have to be thinking quite big, rather than just thinking, "Well, we will pump it down the Bell line and get it to the CN Tower to the Toronto operating centre," as Mr. Stuebing was describing to you. That would be fine for Global, CFTO and CITY-TV, CHCH and the CBC. It would be fine for CBLFT and anybody else that can get one of those ground-based lines. But, once again, what happens to all those hundreds of thousands of people who do not happen to live within that small reception area and to the cable companies which serve them? You have to be thinking of getting it up there, because the facilities are there and they are highly reliable. I think that is the direction to go.

It is not as if it is a temporary thing. I hope it is a permanent one and that it is going to be a permanent setup. Why not do it in the best fashion possible and in the most leading-edge fashion possible as far as technology goes? Why limit ourselves to microwave facilities or cables running down into the ground, or whatever? Why not do it in a way that is going to be still practical 20 or 30 years from now? I think we should get a system that is going to last.

Along those lines, I do not know what the committee has in mind, but I certainly think it would be worth while if there was an attempt made to get input from television stations, whether from station managers or people in newsrooms outside of Toronto, and get something from the north--I do not have this information at my fingertips--and find out what the distribution network is on cable up in the north.

We should confirm that they do have the downlink facilities, so that if it goes up here, some cable company in the Sault is going to be able to be able to snatch it right out of the sky and start spitting it out to homes all over its area. I think the potential exists for a very thorough system that is going to get to everybody in the province. The potential is definitely there.

Mr. Chairman: Okay, Dan. I would like to make the same offer to you and to your station that we made to Mr. Stuebing and CFTO. We are interested in getting the perception from people who are in the business of what is the best way to do that distribution and what technology would be most suited for you. We will try, as much as we can, to get that from as many different perspectives as we can, from big city television stations and networks to smaller places in northern, eastern and rural Ontario that may not have cable systems readily accessible.

You did mention that there will be another written submission coming in from your station. When that comes in, it would be appreciated if you would offer us some words of advice in regard to what would facilitate things for you at your broadcast facility.

Mr. Rath: We will.

Mr. Warner: Using that channel thing, we would require approval from the Canadian Radio-television and Telecommunications Commission for a channel. Is that correct?

Mr. Rath: Yes.

Mr. Chairman: It would be depend on how you did it. Tomorrow we have TVOntario coming in and we wanted to go through some of that, but I suspect we are going to have to do a little more detailed work on that distribution system than we had originally anticipated. There are several ways to go about it.

Mr. Warner: Suppose we had only one channel. Would a local cable company then purchase the program off that?

Mr. Rath: They could. I really do not know what arrangements are made. I could not tell you for certain what arrangements--

Mr. Chairman: I think what Dan is saying is we have to go through the list of what they could do and then, I think a little more pertinent, we have to go through the list of what they are likely to do. To say we make a feed available that anybody in Ontario could purchase is to say the same thing as saying the

little written Hansard cost \$400,000 per day per copy, but everybody has the same chance, rich or poor, to buy that. The reality is the distribution will be entirely different.

Is there anything else from any of the committee members? Very good. Thank you very much, Dan. We enjoyed it. You made us get philosophical this afternoon and we appreciate that.

This committee is adjourned until 10 a.m. tomorrow.

The committee adjourned at 4:10 p.m.

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Publications



STANDING COMMITTEE ON PROCEDURAL AFFAIRS AND AGENCIES, BOARDS
AND COMMISSIONS

TELEVISION IN THE LEGISLATURE

THURSDAY, AUGUST 15, 1985

Morning Sitting

STANDING COMMITTEE ON PROCEDURAL AFFAIRS

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Assistant Clerk: Decker, T.

Substitutions:

Lane, J. G. (Algoma-Manitoulin PC) for Mr. Sterling
McLean, A. K. (Simcoe East PC) for Mr. McCaffrey
Smith, E. J. (London South L) for Mr. Morin

From the Ministry of Citizenship and Culture:

Bonner, A., Manager, Ontario Policy Relations, Ontario
Educational Communications Authority (TVOntario)
Boyko, M., Manager, Systems Engineering, Ontario Educational
Communications Authority (TVOntario)
Radford, J., Chairman, Ontario Educational Communications
Authority (TVOntario)
Shapiro, A., Director of Corporate Relations, Ontario Educational
Communications Authority (TVOntario)

LEGISLATIVE ASSEMBLY OF ONTARIO

STANDING COMMITTEE ON PROCEDURAL AFFAIRS AND
AGENCIES, BOARDS AND COMMISSIONS

Thursday, August 15, 1985

The committee met at 10:15 a.m. in room 228.

TELEVISION IN LEGISLATURE
(continued)

Mr. Chairman: I see a quorum. This morning we have John Radford and Andrew Shapiro from TVOntario. You gentlemen can come up and find a spot at the table.

TVONTARIO

Mr. Radford: There are two other members from TVOntario.

Mr. Chairman: The more the merrier.

Mr. Radford: Mr. Shapiro is on my right, then Mr. Allan Bonner and Mr. Mike Boyko. Mr. Boyko is one of our engineering specialists.

Mr. Chairman: That means we might actually find out what we are talking about.

The committee is looking at televising the proceedings. We have had an opportunity to look at the approach used in the House of Commons and we have had a chance to visit Saskatchewan and see its process. A number of us have seen other jurisdictions where the proceedings are televised.

In general terms, we looked at the Saskatchewan technique and thought it perhaps was the most appropriate one. We are interested mainly in how this affects the members and how we could put together a process that is both reasonable from a member's point of view and understandable from the public's point of view.

We are aware some difficulties have occurred with a very strict interpretation of an electronic Hansard. It sounds fine, but on occasion the finished product is incoherent. We are trying to work our way through that. We were impressed, for example, with the use of graphics in Saskatchewan and how it uses other materials to try to broaden things a little and fill in the blanks, so to speak, so the viewing public can follow the proceedings.

We are interested in trying to put together the most accurate way to do that. We have some obligation to talk about how cameras are used, what kind of shots will be used and that kind of stuff, so we would be interested in hearing your opinions about that.

The major area where I think we are still at a bit of a loss

is distribution. We went through some techniques yesterday with people from CFTO-TV and CHCH-TV. Frankly, we are not familiar with how the process works. It has been touted that TVO could be the distribution source. We are just beginning to take a look at all the Canadian Radio-television and Telecommunications Commission regulations on licensing, how one would put out a feed, whether it means clearing a new channel with a cable company and how it would impact on TVO's own programming.

I think it is not presumptuous of me to say there is no intention to remove all your programming to put some legislative channel to work. However, we are interested in whether you would have the capacity to pick up a live feed from the Legislative Building and make it available to people in Ontario. We have copies of the correspondence TVO sent to the Board of Internal Economy about how many people would be able to receive this kind of television programming. The committee is mindful that we looked at TVO itself, as a government agency, a few years ago, so we are aware of some of your difficulties. I think you can anticipate members will have a number of questions for you, but I would like to give you a chance to have your say in the beginning.

Mr. Radford: Our perception is that, after your travels, you know a lot more about this than we do. We have not been to Regina or Ottawa to see how it is done. With respect to the physical aspect of placing cameras in the chambers, you have had a chance to look at the way they exist elsewhere.

With regard to the close-up versus the pan shot, it is within your jurisdiction to decide whether you want to have reaction shots in the chamber or just strictly an electronic Hansard, and then the technical aspects will follow from that, as I am sure you have found out.

I am pleased to hear you talk about our operation. We are in the educational television business and we would like to maintain programming in that area. It would be difficult for us to become involved in live feeds through our present distribution system. It would disrupt the mandate we have set for ourselves, and we do not have the equipment. We have never undertaken to be a public affairs television broadcaster.

Within our network, I know the one area in which we certainly can be of service is in broadcasting question period at night, when we now broadcast the one from Parliament Hill. We would replace that with question period from Queen's Park. That seems to be natural fallout. We are an Ontario government agency and it seems quite imminently sensible to broadcast this question period, if it is available, rather than Parliament Hill's.

That is one part we could and would specifically intend to broadcast. Of course, it would be on a delayed basis. We would not take it live. We are set up to do the delaying ourselves. We can take the feed wherever we get the distribution, wherever it comes from live, put it on tape, and then rebroadcast it late in the evening. That is what we do with the Parliament Hill feed now.

You have heard something about distribution. It is difficult

to reach all the people of Ontario without getting involved in the kind of network TVOntario has. We have upwards of 140 transmitters operating in Ontario now and it is available to 96 per cent of the population. However, it takes 140 transmitters to do it and we are actually moving towards 200, with the agreement of the Ministry of Northern Affairs to put small repeaters in northern Ontario. Eventually our signal will be available to 98 per cent of the people of Ontario.

With respect to Queen's Park, a parallel distribution system would probably be uplinked to a satellite feed and then downlinked to cable companies. It is hoped the cable companies would carry the signal. As to where it would come on their services, it depends a great deal on what the Canadian Radio-television and Telecommunications Commission decides about what constitutes primary coverage on cable service. As I understand it, the CRTC hopes to make a decision some time this fall. I suspect, though, this kind of coverage would not be considered primary.

Then we will be restricted again by the number of people who have converters, because the cable systems will probably put it on their secondary tiers, outside the basic channels 2 to 13. I think the converter operation is growing and, over the next few years, most people on cable systems gradually will have acquired them, because there are more and more services that require a converter being made available. Preliminarily, that aspect would reduce the numbers of those to whom the programming would be available, but then over the next three or four years it is our forecast that converter usage will become greater. However, again it limits it to cable systems and people with converters, which reduces availability considerably. I believe you have seen some figures on that.

That is the only practical means of distribution at this stage, to go with an uplink to a satellite channel and downlink through the cable companies, and try to get the cable companies to do it.

This would require some kind of a broadcast licence from the CRTC, and at the moment TVOntario is the only agency that fulfils the mandate of the CRTC to hold a broadcasting licence on behalf of the government. Governments in their own right cannot hold broadcasting licences in Canada, but TVOntario, through the legislation here at Queen's Park, has satisfied the necessary criteria. We probably would hold the licence for this distribution network unless some other arrangement with the CRTC can be made; however, the simplest one probably would be for TVOntario to apply for a distribution licence for Queen's Park and we would be the licence holder. We do not particularly want to be the producers of this programming. We would like that to stay in the Speaker's area and let his people be the producers of the programming.

Mr. Chairman: If I may intervene for a second, it is a little presumptuous on my part, but one of the considerations of the committee will be that the production should stay in-house, that it will be a function of the Legislature in some form, so that it is looked after internally up to the point where a live feed is available. What we are looking for is someone who has the

licence to do the distribution and at what is the most practical way to reach the largest number of people. You may have just outlined that for us.

Do you see any major problems, once a live feed is produced here? CFTO, for example, was suggesting yesterday that from their point of view probably the optimum was to put it over in the Bell Canada centre to make the feed available there. We were not too clear as to how accessible that was.

Mr. Radford: Anything can be handled. Actually, we are into the Bell centre now ourselves, but we are in the process of installing our home uplink. Mike, am I right, they are multichannel uplinks, are they not, or they can be multichannel uplinks?

Mr. Boyko: They can be. It means the addition of extra transmitters.

Mr. Radford: That is right. Once we get our own uplink, we can put another transmitter into it and TVOntario can feed the proceedings from Queen's Park up to the satellite.

Mr. Boyko: There is a capital cost involved.

Mr. Radford: Oh, yes, there is a capital cost involved. We would have to find the money for that.

Mr. Chairman: I thought I would hear that.

Mr. Radford: Yes. Have you got that? The engineer is talking here. There is a capital cost, it is true, but you can either go through the Bell system, which is a rental basis, or put the money up front on the capital cost and have TVOntario install the uplink, as we are doing for ourselves for this channel, and feed it up. Technically there is nothing in the way of going either route. They are both available.

Mr. Chairman: So there are a lot of options available in this.

Mr. Radford: That is right.

Mr. Chairman: I guess what we could consider and recommend would be a variety of options. Say our jurisdiction is to put together the process of televising the Legislature and a feed is made available here at Queen's Park. Anybody in the world who wants to pick that up in whatever way he wants can do that from picking up a cassette, to going to some kind of a live feed, to fibre optics or whatever he wants. Or we could go one step further, which is perhaps a little more likely. That would be to make the feed available through some kind of a distribution system and people could hook into that.

At some point we are going to need some technical advice on what is the preferred way. For example, the House of Commons is now in the middle of considering what is almost a third network being established nationally, to be essentially built around a

parliamentary channel concept with other kinds of programming built into it as a filler.

10:30 a.m.

Mr. Radford: When we let our imagination start to run, we do the same thing, and we come up with, "Do you want simultaneous translation?"

What would you do with this distribution channel in the hours when the Legislature is not sitting? You can perhaps broadcast committees if they are sitting; but even if they are not sitting, do you let it sit blank? Just as you suggest, you might want to come up with some other information-type programming about what the Ontario government is doing so the screen is not blank, and if someone hits that channel, there is something on the screen.

Mr. Chairman: There is such a wide range of options available and cost is a consideration. It can be from zero dollars to as large an amount as you can dream of regarding distribution. We are aware, for example, that on occasion Rogers Cable has been televising the social development committee and, although we have gone through this exercise very often where people tell us this is going to cost millions of dollars and take several years to get ready, if someone wants to televise the proceedings of this chamber it can happen in two or three days and the picture will appear in people's living rooms.

We are having a little difficulty handling not only the technical aspect of it but also the who-do-you-believe routine, because we get a range of opinion offered in front of the committee from, "This is going to cost you several million dollars and you cannot possibly do it for two or three years," to the reality that if someone wants to put a live feed out of here tomorrow morning or televise this proceeding this afternoon, it will happen. It is a little difficult for us to make that judgement call as to what is the best way to proceed.

Mr. Radford: That is your judgement call but it can happen exactly as you say. There are cameras in the legislative chamber now. They can be linked to a satellite and by an uplink to wherever you want to go tomorrow, you are quite right. It is a matter of deciding whether you want to have it the way it is now with cameras and cameramen being obtrusive in the chamber or if you want to have a permanent installation hanging under the balconies and a little eye that moves around. All of these are judgement calls, and it depends on the way you may want to do it.

The second way I suggested was the little cameras being remotely controlled by one operator which is less labour-intensive, so that in the long run your upfront capital costs will be greater but your operating cost should be considerably lower. If you have four cameras with four cameramen on board, you have an ongoing cost of labour there that will make the monthly charge much more expensive.

Mr. Chairman: In the last little while the committee has looked at two systems for production, one of which employs 42

people and costs \$6 million or \$7 million to put in place, and the other one, Saskatchewan, cost \$1.5 million to put in place and runs with three people and a total staff of about five. It is a judgement call but it is pretty hard to see where the difference is in the process. The end product, in my opinion, was better in Saskatchewan than it was in the House of Commons.

Mr. Radford: I would not even even try to determine this, but I would go for the one in Saskatchewan.

Mr. Chairman: We are trying to work our way through that and distribution is another thorny point.

Mr. Radford: Incidentally, Mike had a comment about the one in Saskatchewan, the \$1.5 million you are talking about was just the electronic equipment.

Mr. Boyko: Electronic, yes. It did not involve the cost of modifying the Legislature, the ductwork and all the trim that had to be changed, or whatever.

Mr. Chairman: They clicked in at an opportune moment where they were doing a fair amount of renovation to the chamber itself anyway, so they were able to lay cable and rearrange things at virtually no extra cost.

Mr. Radford: One of the things we might want to keep under consideration goes back into distribution. How many people in Ontario will be able to receive this? You might want to look at the cost-effectiveness. If you are going to spend multimillion dollars and end up with only a few hundred thousand people able to receive the program, it may not be a cost-effective thing, whereas a much simpler operation which is not going to be too expensive may be better. Until the distribution system can reach more people, it may be a better judgement to just put in the most inexpensive system you can. It will be restricted to a certain degree but do the best you can and let the 300,000 Ontarians--I am exaggerating both ways, but the few who can get it--watch it.

As the distribution system builds over the next few years, keep an eye on it, so when two million Ontarians can see this, we should going step by step to improve our pickup system. As more people can watch it, they will deserve perhaps better coverage than we have been able to provide, so that might be something you might want to consider.

Mr. Chairman: As far as TVOntario is concerned, it is our understanding that you have whatever licences are required to do such distribution.

Mr. Radford: We would have to apply for another licence. We do not have a licence to do that distribution now. We would have to apply for it to the Canadian Radio-television and Telecommunications Commission. There is no difficulty with that. We consider it would almost be a formality from the CRTC's point of view.

Mr. Mancini: Do the cable companies pick it up automatically without getting a licence?

Mr. Radford: The cable companies can pick it up without having a licence. The problem is in convincing them that they should pick it up and that it should be part of their service. They are not required to pick it up, so it would be a matter of launching a publicity campaign at some time to let the cable systems know it is available.

A lot of cable companies are looking for additional services because it enhances the service they can provide to their customers. They can say, "With our cable system you can get 28 channels." I detect you might not have much trouble unless they do not have a downlink from the satellite. If they have to get into the capital cost for the downlink, the dish that receives it, that is approximately \$10,000.

Mr. Boyko: The dish, yes, but then they would need the receiver and so on.

Mr. Radford: It might be \$20,000 to \$30,000. You may run into problems with a cable company that does not have that. They might not want to spend the \$20,000 or \$30,000 to put in the dish to get legislative coverage.

Mr. Mancini: How long would it take to get a licence?

Mr. Radford: There is a process we go through. We have to set up what we are planning for. We would have to determine that it is a satellite distribution and is downlinked to cable, and we would have to supply all the technical criteria for that. Once the Department of Communications approved the technical criteria, we could apply for the licence.

The process for the licence distribution normally can take up to a year. If it is not complicated, if the CRTC is co-operative and if we can get the technical aspects ironed out, I would say the best scenario would be three months. That would be an extremely good scenario.

Mr. Mancini: How long would it take you to prepare the technical information before you actually apply for the licence?

Mr. Boyko: It is not too complicated.

Mr. Radford: It is not too complicated. We have a manpower problem. We have a French-language network coming on the air.

Mr. Mancini: We are interested in a rough guess.

Mr. Radford: It might take three months to get the technical aspects of it.

Mr. Mancini: The best case scenario is three and three.

Mr. Radford: Yes, about six months.

Ms. E. J. Smith: Mr. Morin, who is usually here with the committee, is most anxious to know what information we can get on French-translation services for such televising, such as the possibility or impossibility of the cost, assuming that some of the people in Ontario you are trying to reach are only French-speaking.

Mr. Radford: That is an aspect we have considered. I think Mr. Shapiro might be able to help on that.

Mr. Shapiro: I cannot give you figures on cost, but it certainly is something the committee should consider. I assume the service should be available in both languages with some kind of translation service. That also brings up the issue of either closed-captioning or some way of making the program available to people who have difficulty with their hearing. I think you would have to look at both of them. Those would be additional costs and perhaps would delay the service slightly.

Mr. Chairman: Have you done any studies of either of those two matters?

Mr. Shapiro: We are looking currently at closed-captioning our present service and I think most broadcasters are looking at closed-captioning. We do not have the same problems you would have in terms of translation.

Mr. Chairman: Would you be able to make available to the committee at some point in the reasonable future some concepts or sample studies of work you have done in those two areas of translating? You are talking about a French-language network. We would be interested in what is totally involved in providing the translation services and closed-captions, something like that. While it might not be a parallel study, it would be useful for us to have in hand work you have done in that regard so we have the framework.

10:40 a.m.

Mr. Radford: They would be simultaneous services, too, which is more difficult. As to the closed-captioning, we are looking at for our own operation, the programming is already prepared and we could edit the programming and put in the closed-captioning for the hearing-impaired. For an instantaneous service, what is happening down in the Legislature chamber, you would have to have the closed-captioning immediately and you would have to have the French-translation service immediately. The logistics of that are different. We can do our best.

Mr. Shapiro: We can provide you with whatever information we have on both of those topics.

Mr. Chairman: That would be helpful.

Ms. E. J. Smith: You said that would be a further delay. Is it not something that could be added rather than put in as a delay?

Mr. Shapiro: Certainly.

Mr. Warner: May I go back to the distribution aspect? If I understand things correctly, you have a channel capacity on your own and you have your own programming, and you are saying your programming is well booked. We are looking at covering this live from 2 p.m. until 6 p.m. plus two evenings 8 p.m. until 10:30 p.m. The evening one is different, but the daytime is booked solidly with your programming which you probably would not be too thrilled about removing in order to put in this other exciting material.

Do you have the ability or capacity to obtain another channel? You are going out over channel 19 in the Toronto area and 22 in Ottawa. Do you have the capacity to add an additional channel?

Mr. Boyko: No. There is a channel available in Toronto that is an additional TV channel. I believe there is only one available in Toronto. You are talking of over-the-air transmission, not via cable.

Mr. Shapiro: Maybe I can answer this. We have a network currently. It broadcasts over a variety of different channels. That network delivers one signal. It is the TVO signal that originates here in Toronto. What you would be talking about would be a second network. The second signal would be the Legislative Assembly signal. What you are talking about then is a completely separate network. That is a very expensive proposition if you are talking about on-air.

Our proposal was that if there is that volume of material coming out of the Legislative Assembly, a separate transponder on the satellite be rented and the signal would then be available to the whole province from the satellite and the cable companies would pick it up. Any other broadcaster who wanted to pick up the signal and use it in a variety of ways could do that, the way we had proposed that we would substitute question period from the Legislative Assembly for the question period that we are currently broadcasting. Instead of going to the expense of building a whole new network at the beginning, we were proposing that we use the cable systems, which is the network currently set up, to distribute the signal.

Mr. Chairman: That is the way the parliamentary channel now functions, is it not?

Mr. Radford: That is right.

Mr. Chairman: It is made available essentially to cable operators. I suppose anybody who had a dish could pick it up as well, but there is no network putting out a live broadcast.

Mr. Shapiro: If you are not on cable, you cannot turn your dial to channel whatever it is and get the parliamentary channel. You must have cable to pick it up.

Mr. Chairman: Essentially, the proceedings of the House of Commons are available in most communities only to those people who have converters now. Am I right?

Mr. Boyko: Or if they receive it directly from the satellite.

Mr. Chairman: They would need either a converter on their cable operation or a little satellite dish of their own. That is the only means whereby they can get it.

Mr. Boyko: That is right.

Mr. Shapiro: There has been one change, though, with the Canadian Radio-television and Telecommunications Commission in the last couple of weeks regarding authorization for the community channel. If you have cable, you know channel 10 is the community channel. Authorization has been given to cable companies to allow them to put parliamentary debates on that channel if they wish. That might be a way of getting the signal into the basic band of cable, the channels 2 to 13 band.

Mr. Warner: Is that going to cost them something?

Mr. Chairman: That is where Rogers Cable, for example, is now broadcasting the social development committee hearings.

Mr. Shapiro: I am sorry?

Mr. Chairman: In my community the local cable company is now providing the social development committee hearings on the community channel 10.

Mr. Shapiro: Negotiations would have to be entered into, but that channel could be one of the channels available and it is a good channel in that you do not need a converter box to get it. It is on the dial.

Mr. Warner: Does that cost the cable company extra money?

Mr. Radford: I do not know.

Mr. Boyko: Just for the downlink.

Mr. Shapiro: For the downlink, I would think.

Mr. Boyko: They would probably need a receiver. If they have a dish, they just need a receiver.

Mr. Warner: I understand what you are saying. It is a very good proposal, but I have two concerns. First, the cable companies will cover it in Metropolitan Toronto. I do not think that is a problem. In the rural, remote areas, if cable companies have to spend money, they may not wish to do so.

Second, I am assuming that, if they choose to, they could then simply play part of what comes in. They may, for example, want to run the hour of question period and nothing else. We are attempting to open up the entire parliamentary process, gavel to gavel, so I am a little nervous about that. It may end up being our only choice.

Mr. Mancini: I do not understand what you are nervous about, David.

Mr. Warner: The goal of the committee from the outset has been to provide, as far as possible to all the people of Ontario, total coverage of the proceedings in the Legislature, gavel to gavel. Normally, that is 2 p.m. to 6 p.m. and 8 p.m. to 10:30 p.m. on two evenings. If cable companies have to spend between \$10,000 and \$20,000 to obtain the signal, they may choose not to spend that money and some communities will not get the coverage.

If they do choose to spend the money, they then may make a second choice and cover only question period from 2 p.m. until 3 p.m. or 3:30 p.m. Then they will go off the air and put on Mr. Dress-Up. That defeats the purpose of what we are trying to do. I would like to know how we get around that.

Mr. Bonner: If I may interject, you have hit an important nail on the head. There are two more disincentives for the cable companies. First, if they have your channel or network on one number, say, number 25 on the converter, they cannot put Disney or some American pay service on that number and charge people an extra X dollars a month. They do not make money from you. Maybe they should, but they are not going to flock to pay money to see Queen's Park activities.

Mr. Chairman: You never know.

Mr. Bonner: I would hope so, but that is problematic.

The other disincentive is the partial coverage you mention, and the regulation that was just promulgated to which Andrew Shapiro made reference. In Metro Toronto, Rogers channel 10 has reports from MPs and MPPs. On that channel, if Rogers were a small cable operator with under 3,000 subscribers, it could now put on the proceedings of either the federal or provincial Parliament. That would lead into the partial coverage you are talking about. I suspect they might go for question period, which many would argue is unrepresentative of the overall business of government.

If I could react to one other thing you said, I would like to make brief reference to what we are doing from two until six in the afternoon. I have not heard anybody saying we are not anxious to participate in this. The first thing we want to do, right off the top, is substitute provincial question period for federal question period. We think that is very important, and we are anxious to do it.

Mr. Mancini: What time do you show the federal question period?

Mr. Bonner: At 11:30 p.m.

Mr. Mancini: That in itself defeats the purpose.

Mr. Bonner: It is not prime time.

Mr. Mancini: You tell me you are going to do something for us and put us on at 11:30 in the evening. I appreciate that you are substituting us for the federal question period, but I doubt we will achieve our objective if we are going to show question period at 11:30 in the evening.

In regard to cable companies, let me give you some examples from the community I am familiar with, Windsor and Essex county. We have a small cable company that takes in part of Leamington, Kingsville and Wheatley. Several thousand people are hooked up to this cable, but Windsor is not hooked up to it and the rest of Essex county is not hooked up. We are talking about 280,000 people in a very important part of Ontario who are not hooked up to cable.

10:50 a.m.

When you tell me you are going to show question period in Windsor or in parts of Essex county that do not have cable at 11:30 in the evening, I doubt if five per cent of the people will have an opportunity to watch because of work schedules and other demands they have.

Mr. Bonner: Let me take a step back and say that this leads us right into the first philosophical question you want to answer.

What is the commitment? Is it to approximate the experience of sitting in the public gallery and watching the proceedings of this parliament and to provide that experience to the largest number of Ontarians possible? If that is true--and it is a worthwhile goal--you cannot go out and buy televisions for people who do not own them, but you can make as many steps as you possibly can through as many institutions as possible to get that material out to the people of Ontario.

TVOntario is only one of the institutions you are going to need to use when you provide this feed to everyone who wants to use it, whether that be broadcasters, educational broadcasters, national networks, independent stations, academics or teachers. In Quebec they distribute tapes. You need to use all the institutions at your disposal. The people you are talking about who do not have cable will get a snippet from us, and I would hope they would get good coverage from the private television stations.

Mr. Mancini: Unless it came over from Detroit, I do not know where it would come from.

Mr. Bonner: There is a CBC station in Windsor.

Mr. Mancini: Yes, and that is it.

Mr. Bonner: There is no private station in Windsor. However, the CBC has a reporter here from Windsor, I think.

Mr. Mancini: But that is not why we are putting TV in the Legislature.

I want to get back to the point about when you are going to run question period. I do not find it very satisfactory that you would run it at 11:30 p.m. The business of the Ontario Legislature is just as important as any of the programs on your schedule. Not that I am disappointed, but frankly I would have hoped you would have suggested to the committee that you would be willing to show question period at a different, more appropriate hour.

I am sure Windsor is not the only community that has problems with obtaining a feed or with cable or any of these technological problems. However, we have a very glaring problem, and there are 300,000 people there. I am interested in ensuring that when Dave Cooke, the member for Windsor-Riverside, or my colleague Bernie Newman gets up to speak, their constituents can see them. In the part of the county I represent, a portion will see me on cable; so my problem is not quite as severe as that of the Windsor members, but it is also severe compared to other parts of Ontario.

Not only should we deal somewhat with the technical assistance and advice we can receive from TVO, but also we should discuss for a few moments what would be a most appropriate time for our TV coverage here in the House to appear on your network. That is very important.

Mr. Radford: Nothing you have said is precluded, and I am talking now in historical terms about TVOntario, but we are licensed as an educational television broadcasting entity; that is the criterion that is applied to our licence, which the Canadian Radio-television and Telecommunications Commission holds us to.

We have always looked upon ourselves as being that kind of entity. We have never looked upon ourselves as getting involved in public affairs as they happen. We do not cover news events. We have never covered the opening of the Legislature. In fact, we do not have the equipment to do it. We do not have mobile units and the staff to do it. We work on pretaped, preprepared programming on a scheduled slot.

Mr. Mancini: Excuse me for a second. Do I understand you correctly when you say you are not mandated to cover public affairs?

Mr. Radford: No, I am not saying we are not mandated. I am saying we never have. The question of mandate is open for discussion, in my view.

Mr. Mancini: Who was that person who was on the--

Interjection: Jim Laxer.

Mr. Mancini: Yes. Jim Laxer had a public affairs program.

Mr. Radford: Okay. Also, we do Speaking Out, which is public affairs.

Mr. Mancini: That is fairly up to date.

Mr. Radford: But it is not on actualities.

Mr. Bonner: It is not spot news.

Mr. Radford: Yes, it is not spot news. It is not an actuality, a news thing that is happening. I am sorry, you are quite right. We do get involved in public affairs on a forum discussion basis, but we have not been involved in public affairs in a situation as it is happening.

Mr. Mancini: If you do not editorialize or give an editorial opinion, then you will not be in any way contravening what you have been doing in the past.

Mr. Radford: What I am trying to build up to is that based on what we have been doing, we have set up schedules for educational programming which are available. The schools know that in the afternoon these programs are available to them for taping off the air or for use in their classrooms. Our schedules have been set up and we have tried to maintain them in a rigid way so the people who use our services know they are coming.

Again, I am not being negative about this; I am just telling you that you have indicated an entirely different aspect of the kind of broadcasting we have been doing. It would be brand-new to us if we started, because question period is not something that goes on every day, five days a week, throughout the year; it is a spasmodic thing, depending upon when the House is sitting.

Mr. Mancini: Just let me say this, and I hope you understand this is a discussion. I am not trying in any way to make it anything else.

Mr. Radford: Sure.

Mr. Mancini: You have already made the decision that you will cover the federal question period.

Mr. Radford: At 11:35 p.m.

Mr. Mancini: The basic decision of whether to cover question period on the day it happens has been made; you already do that, and you are willing to substitute the provincial Legislature for the House of Commons. I believe we have gone past the step of deciding on whether to cover. The discussion now is, can we make it at a more appropriate hour?

Mr. Radford: That is right. What I am presenting to you is what we have been doing in our scheduling in the past. We have to look at these considerations because while your comment about the timing is quite appropriate, 11:30 at night also is the least disruptive to our schedule and to the way in which we put the schedules out to our people.

Mr. Mancini: Let me put it this way. When we say we want to have these feeds into the schools or to be able to have the schools tape these feeds, a lot of the things we do in the House, such as statements and other things, perhaps should be fed right

into the schools or the teachers should know when they could take the tapes.

For example, we are doing Bill 30, which is affecting the whole school system of Ontario. Also, when the Legislature comes back, there might be a lot of young people, teachers, parents, etc., who might want to watch the proceedings of question period. If they had cable, they could probably see more.

It is even more important that we get the feed at a more appropriate hour. I am not trying to disrupt your schedule or suggesting that you dismiss an already active and successful program; I just want us to discuss in a thorough way the possibility of moving it from 11:30 p.m.

Mr. Radford: Our proposal will be to put it on the distribution system we are looking at as it happens.

Mr. Mancini: You mean at 2 p.m.?

Mr. Radford: The distribution system will have it as it happens. We are only talking about putting it on the TVOntario distribution system.

Mr. Mancini: You are all we have; that is the point I am making.

Interjections.

Mr. Warner: If I can get back to where I was before I was interrupted.

Mr. Mancini: I am sorry.

Mr. Warner: I want to get back to two things. One is, what are your practical problems in running the programming live at 2 p.m. on Monday, Tuesday and Thursday? I think I know some of the answers to that one. Second, to go to your proposal, do you have any practical suggestions as to how we could get around this little problem I outlined earlier, the disincentive to cable companies picking up the signal? Those are the two things I would like to key in on right now.

11 a.m.

Mr. Bonner: I was about to talk about what we were doing from 2 p.m. to 6 p.m., and the two questions have now dovetailed. I will leave the technical aspect to other people, but we are used by up to 92 per cent of the educational institutions in the province from kindergarten up to community colleges and universities. There are 40,000 teachers in the province who use us, 49 per cent--

Mr. Newman: Where do you get your statistics?

Mr. Radford: From our office, from our research people and from our utilization--

Mr. Shapiro: From the BBM Bureau of Measurement.

Mr. Newman: That is kind of strange to me. I know of no one--

Mr. Bonner: Our act requires us to research, and BBM and our research as well as the teachers themselves--

Mr. Newman: You are not just calling your friends, are you?

Mr. Warner: I use some of this every day.

Mr. Radford: We are talking about the school system. Allan is talking about the school systems themselves.

Mr. Bonner: Forty-nine per cent of the children in this province between the ages of two and 11 watch us on a daily basis, and in the most fragmented media market in the world that is quite an accomplishment. Most of those teachers tape that material and put it on at a time when it is best for them. However, many of them use it live in the classroom as well. Two o'clock, Monday to Friday, might be grade 8 math. I do not have the schedule in front of me. It might be grade 7 geometry. It might be a safety program.

Let us say school starts September 4, and from September 4 until October 15 grade 8 math is at 2 p.m. every day in a particular school; in another school it is another subject. On October 15, if it becomes a different piece of programming, the teachers may want to use that programming very much. It would be very valuable in high schools, community colleges, universities and even in lower grades, but the teachers need continuity and consistency.

Mr. Warner: Do you have any figures on how many people are using the programs live versus those who are using the tape system?

Mr. Shapiro: No, we do not; but if your question was what is happening on TVO from 2 p.m. to 5 p.m., we are broadcasting into schools, and after about 4 or 4:30 p.m. we are broadcasting to children at home. That is what the schedule looks like at that time.

If we pick up a live feed from the Legislature, then we have to draw that much of our school programming and substitute the legislative feed for it. If it is a live feed, that means everyone who is at work from 9 a.m. to 5 p.m. will not see that.

Mr. Warner: Am I correct that with large school boards especially, the move has been towards a blanket agreement with you folks to pick up tapes and then to have their own tape distribution throughout their school system, so they do not rely so much on the off-air approach as they do tapes?

Mr. Shapiro: Schools use this in two ways; they can take the live feed and tape it or show it or they can use our videotape service by purchasing tapes and use them any time they wish. So

you are correct in that they do not have to use the programs as we broadcast them at the time we broadcast them.

Mr. Warner: My guess is that the movement is towards that procedure and away from utilizing it off air at a time when it is shown. I do not know what happens in rural Ontario, but in Metropolitan Toronto essentially that is what most of the schools are doing. The large school boards are operating that way, so it is probably less critical for your programming to be shown in that time slot up until 4 or 4:30 p.m., when that portion becomes a little more critical because you are looking at the kids who have come home.

Mr. Radford: Off-air taping is very predominant. The use of our tape library is actually diminishing. I do not have any statistics, but I feel the schools have become more sophisticated. More of them have videocassette recorders and television equipment, so they are taping off air.

We know that utilization of our tape service is decreasing; it is not increasing. Yet we know the number of teachers using our service in the number of classrooms is increasing. I do not have the correlated statistics, but I have a real feeling they are more predominantly taping off air than they used to.

Mr. Warner: Can we go back to some suggestions about how we get around this little problem of the cable companies?

Mr. Radford: You can buy them their receivers and their dishes.

Mr. Warner: Have you any guess how many we would have to do that for?

Mr. Boyko: A lot of them have dishes now; so it might mean buying a receiver and a modulator to get it on a channel. In other cases where they do not have a dish, you would have to buy a dish and have it installed.

Mr. Warner: Are these huge numbers? Are we talking about \$100,000 or \$20,000? It would be paying for the fee, which is what? Is it \$10,000? Is that what you said before?

Mr. Radford: For the receiver.

Mr. Boyko: Dish and receiver.

Mr. Warner: One way around it is to offer--

Mr. Radford: It removes one of the disincentives we are talking about.

Mr. Warner: What about the second major disincentive, which is that these folks may wish to show only question period and may not want to cover anything else? We have paid for them to hook up, but now that they have their hookup they may say, "We are going to run it from two o'clock until three o'clock and that is it."

Mr. Radford: If you pay for the hookup, you should sign an agreement with them that they will cover it from gavel to gavel on a converted channel, an available channel. As long as they have a converter system, they will have it.

Mr. Warner: That is one approach. The last question I have is slightly different. Leave aside the live coverage aspect and presume for a moment that we have accepted your suggestion and have bought all the dishes and everybody in the province is showing this wonderful program.

Do you folks have an interest in doing some educational work around the programming that would come out, such as monitoring the proceedings and using that as a basis on which to package material for the schools? For example, someone mentioned the Bill 30 debates that are going on. Could you use that to put together a package? It could also be the opening of the Legislature with some explanation as to the traditions and so on. Could you do something such as that for use in the schools?

Mr. Radford: Yes; there is no question about it. Our mandate is to distribute educational programming to the people of Ontario. What you are talking about is certainly educational. We would have a distinct interest in thoroughly investigating that and seeing what we could do.

Mr. Warner: Super.

Mr. Shapiro: Perhaps I could add something to that. In the past, when certain bills of importance to our mandate, education, have come through the Legislature, we have dealt with them in a variety of ways; for example, the special education bill that came through a couple of years ago. We have done a lot of programming to assist teachers and the educational community on how to deal with and implement Bill 82, the special education bill. I am sure we would be interested in doing that on an ongoing basis.

On the issue that was raised about simply substituting the provincial for the federal, when we were looking at what we do currently, the first thing we thought of was the simple substitution. We have not gone into further programming ramifications if a whole new feed were available to us. I think it is fair to say that.

Since it is a brand-new development, what we would like to do is to add that new possibility into the total mix of what we look at when we look at how we put the schedule together and what we are dealing with. Because it is something that is brand-new--we have not had the opportunity in the past--we would be open to looking at any way of contextualizing it and looking at some new addition to the education system, which is how this could be interpreted.

Ms. E. J. Smith: This is the point I was interested in. We have to be talking about two separate things when we are talking about coverage carried live. I recognize there is an audience out there that is interested in that. I have had two

phone calls from people wanting to know why we are not carrying the social development committee meetings when they are out of town, because they have done nothing else all summer but watch them, which I think is great.

By and large, I would completely support TVOntario in that you could never use that as an educational device in the schools; they have been meeting all summer. The big value is that it could be drawn from and used by media people and researchers and put into a package that could be given to the schools. The two uses have to be kept separate, the one that is research use and the one that is a straight broadcasting use.

You covered what I was interested in, which is this business of what we would have to do to acquire the straight broadcasting use, which we will have to pay for. It is not something an ongoing system is going to use full-time; it has to be something added in, I would think. My points were pretty well answered.

11:10 a.m.

Mr. Bossy: Correct me if I am wrong, but strictly on the basis of what has been said here, my conclusion is that if we want to broadcast from gavel to gavel, we should be saying to TVOntario that we need to apply for a licence for another network. That is the only way I can see from everything that has been said. We have to go through that route.

Mr. Radford: It is our perception too.

Mr. Bossy: The question I would like to ask concerns telephone versus satellite feed for the distribution. In my own mind I feel the answer would be satellite. I imagine that if we applied for a licence, we would have to go the route of setting up our own feed from here, as they do in Ottawa, directly to satellite; it then would be available to those who wanted to pick it up.

Mr. Radford: You mentioned that the alternative distribution would be through telephone lines.

Mr. Bossy: It is an alternative.

Mr. Radford: We found it unsatisfactory. There are many advantages to the satellite. Once you have the feed up to the satellite and it is pushing down, anybody else can join on just by tuning into the satellite. If you are using the land lines, you have to string another set of lines or arrange for them.

The cost is actually cheaper. It should be pointed out, when you are looking at cost, that the annual cost for using that satellite is \$1 million per transponder channel; so that would be an operating cost in addition to the cost involved in maintaining the cameras in the building. There would be an operating cost of \$1 million for the use of a satellite channel.

Mr. Chairman: What would be the initial cost? It will not be the capital cost.

Mr. Radford: How much would it cost to put a satellite up there?

Mr. Boyko: If you do your own uplink, it should be in the area of \$400,000. I would have to confirm that. You can go another way; you can have the carrier provide the uplink and you can pay an operating cost.

Mr. Radford: Bell Canada.

Mr. Boyko: Yes. They will uplink everybody to the same satellite.

Mr. Chairman: Do you have an idea of what that would cost?

Mr. Boyko: You can do it two ways. If we went in with our system, we would have to add another transmitter and look at standby facilities for that transmitter, and we would then uplink on another channel to the same satellite we are on.

Mr. Radford: Mike, do you know how much we pay Bell for our uplink now?

Mr. Boyko: We pay something like \$70,000 or \$80,000.

Mr. Radford: A year?

Mr. Boyko: No; a month. I am sorry; I will take that back. I think it comes to \$250,000 a year.

Mr. Radford: That is \$20,000 a month for the uplink service, then \$1 million a year for what you have up there.

Mr. Chairman: In a sense then, if TVO got the licence, the capital cost would be whatever you want to make it, or probably rental; so we are talking \$250,000 to get it up there and \$1 million to use the channel.

Mr. Radford: Per year, yes.

Mr. Boyko: What you save if you go with your own transmitter is the operating cost of Bell providing the uplink. You do not save anything on the transponder channel.

Mr. Radford: But you have to put your capital up front, which Mike estimates at about \$400,000 or \$500,000. That is a payback of about two years; so you have to weigh that out. It would cost you \$250,000 a year to have Bell provide the service, or you can put \$500,000 up front and buy the equipment yourself with no annual fee. It is a matter of the availability of funds.

Mr. Chairman: From your point of view, is there an advantage in sustaining your own capital costs and getting it up there and then you have it. Is that a preferred route?

Mr. Boyko: You get a payback after X years. I would have to confirm that \$250,000 figure. I am working from memory. I think I am right.

Mr. Chairman: At this stage we are not worried about precise numbers, but it would be useful if you could do that.

Mr. Bossy: I have a further question re the cost. When you have the uplink and you are sort of reserving a network up there, that cost is fixed on an annual basis regardless. I am trying to equate this to what is happening now with the parliamentary session. When you tune in today, you will see that the session is going to open in September. That is all that is shown. We would have use of roughly only 80 days, or whatever it is, when the Legislature is sitting. That network would stay blank all this time and that cost does not diminish because you do not utilize it.

Mr. Radford: That is right.

Mr. Boyko: That is right. You reserve the channel.

Mr. Warner: For reruns of your speeches.

Mr. Bossy: I am talking about reserving the right of using that channel.

Mr. Radford: Actually, it is like installing a telephone in your home. You pay for it whether you use it or not.

Mr. Chairman: What we are looking at here with respect to options would be a distribution system that costs nothing. In other words, we make the feed available.

Mr. Radford: Right, and then you have tapes of--

Mr. Chairman: The concept the federal government is now discussing would probably run to \$1 million a year, maybe \$1.2 million, depending on whether it bought equipment, rented equipment, or something like that. That is the range of options that would be available to us. That is interesting.

Mr. Radford: Yes. How much money do you have, Mr. Chairman? This brings you back to your first premise.

Mr. Chairman: We are not selling South African wine, so revenue is down.

Mr. Radford: You have a problem there.

Ms. E. J. Smith: We are selling Ontario wine instead.

Mr. Bossy: We have made really a big commitment on that, because we have--

Mr. Chairman: Hold on, Maurice, we have made no commitments here; we are just asking the price.

Mr. Bossy: No. I think the government has made a commitment that it is going to televise the proceedings here. Our job right now is to try to come up with a report as to what we conceive to be the best route to go. With all the discussions that

we have had, we seem to be coming down to really only one route.

If we are going to televise gavel to gavel, we have to have our own network to do the job that we set out to do; that is, to broadcast exactly what goes on here ever day the Legislature sits. We cannot seem to tag on only on a spot basis with any other form of television network. There is no television company that is going to say: "By God, this is a real good thing. We are going to substitute our entire program for the Legislature." I am sure we are not going to get that. We have no alternative.

Mr. Radford: If it competes with The Young and The Restless, you are quite right.

Mr. Chairman: Nothing can compete with that.

Mr. Bossy: Really, we have no alternative but to look at, as was suggested here by Mr. Radford, the fact that we are going to have to use TVOntario to apply for a licence or a new network, and then hope we can live with the cost.

Mr. Mancini: When the committee visited Alberta some years ago, it was my recollection Alberta had made an arrangement with a cable company. The cable company brought in all its own equipment and televised the whole assembly and all of its activities from gavel to gavel. Are you familiar with this?

Mr. Radford: No, but technically there is no problem with that. That is exactly what Rogers is doing now with the committee.

Mr. Mancini: I was just wondering how they had made these arrangements with that cable company.

Mr. Chairman: If I could just stick my nose in here, I think Alberta does it on a spasmodic basis; it is not gavel to gavel. They allow a cable company to transmit from the chamber, much as we do, but it is at the whim, desire, wish, or whatever, of the cable company.

One of the problems Saskatchewan had to deal with is that when it first considered televising the proceedings, there was no cable network in Saskatchewan. Therefore, they had to wait until a commercial cable network had developed in the province before they had much in the way of a practical means of reaching anybody. They had the same distribution problem in televising the proceedings. It is not hard to do and not that expensive, but if you want the program to go anywhere, you have to have a system.

Mr. Radford: That is exactly right.

11:20 a.m.

Mr. Chairman: There are a couple of other points I would like to pursue with you. Let me add my personal bias here. I wish you would not bump the federal question period. Although I hate to admit this in public, when I go home late at night and get in at 11:15 p.m. and I hear there has been a hot happening in Ottawa

that day, junkie that I am, I often watch TVOntario broadcasting the federal question period. I suspect that in my town, like many others, there are a lot of people whose normal working day ends at 11 or 11:30 p.m. and if something happened in Ottawa they want to see, they appreciate the chance to see it. They are not at home at two o'clock in the afternoon. Nor am I most days. Reprogramming is a useful exercise for a lot of people.

In terms of making your own decisions about programming, I would guess that even if you wanted to rearrange the programming so that you did a live feed from the Legislature at two o'clock in the afternoon, your lead time would be pretty close to a year before you could reschedule. You have in the schools now all the schedules for the coming school year.

Mr. Radford: That is right. Next year is already in place with schools and with our own scheduling, from September right through to the end of next June.

Mr. Chairman: So although it would not be physically impossible to bump everything off the air, it would certainly dislocate a whole lot of folks if you did that.

Mr. Radford: Yes.

Mr. Chairman: One of the reasons we turn to TVO is, for example, when we had the debate here on the Constitution, TVO came in and most members were very pleased with the programming that was done and the translation service. That was one of the occasions when I spoke French and, through the mercy of the translator, nobody heard me speak French so it looked really good. People were pleased with the coverage and we found, as we went around the province afterwards, a lot of people did watch that. Maybe it was just because it was a rare event. We were quite happy with that.

I just want to reconfirm a point: I sense TVO is not particularly interested in the production of the proceedings.

Mr. Radford: Do you mean putting our own staff and our own production in?

Mr. Chairman: Yes.

Mr. Radford: No, and in our view there is a very practical small-p or large-P political reason for that. As an agency of the province, we try to be apolitical. If we become the producers, we then could be held up as being those who put the camera on the wrong man, or this party or that person, for too long; or "You showed him being ejected from the chamber but you did not show her."

Mr. Chairman: She has not even been ejected yet. It is still to come.

Mr. Radford: We just feel it would be awfully nice if an agency of the House, right in the House, was making those production judgement calls which can be potentially politically a

hot potato on occasion.

Mr. Chairman: I think the committee concurs with the concept that we would probably go the way of most other chambers, that some process internal to the Legislature, probably under the realm of the Speaker and a committee, would be in charge of the production. So the pickup of the live feed is the point where another agency such as TVO would come in.

I want to pursue a couple of other things. One thing we have noticed is that parliaments are strange animals. It is not that the rest of the world should really give a hoot how they operate or about what they are doing or what is going on here, but somehow we have to address ourselves to the fact that some explanation of what is going on has to be given.

The committee has pretty much rejected the idea of any kind of commentator. In Ottawa, for example, we noticed that the proceedings go out with no commentator at all. The CBC picks up a feed and adds a commentator to introduce and say, "The bells are ringing." But everybody wants to stay away from that, probably from the fear that sooner or later the commentator will have to make some editorial comment of some kind and we do not want that.

In Saskatchewan there was an attempt to use the graphics much more to explain what is being debated, what is the content, what is happening. We might give more consideration to do a bit more than that, to have some process whereby, for example, the press gallery can tune into a program that explains the estimates, second readings of bills, debating a bill in principle, and so on. Some of that may have some educational value. You do not do a great deal of work in that field. I heard you say earlier you might be interested in doing some of that.

Mr. Radford: In graphics, actually we have been pioneers in the Telidon field in Ontario. We have a software program that can computer-generate the kinds of graphics that you are talking about. As a broadcast entity, we have been involved in it, so we do have a concept of graphics. I think we are talking about graphics that will explain what is happening in the House and estimates and what not.

Mr. Chairman: We may be able to use your services to explore that a bit further.

Mr. Radford: Yes, we have some capability in that area.

Mr. Chairman: That might be useful. We are grappling with the problem of how you explain this wierd process that is used in the Legislature to the world at large. It is difficult. Most members, to tell you the truth, cannot give you an accurate explanation. There are some who have read the standing orders here. I would go that far, but I would not care to say there are 125 people here who really know how this place works--even some who have been here for quite some time. It is difficult.

Every time a procedural wrangle erupts, we are all reaching for 800 years of evil minds conniving to come up with an

interpretation of a standing order. That means a very complicated process is going on here. It is difficult for us to draw lines here as to what the public would be interested in, how to best present that, how to integrate that into broadcast proceedings, or whether to go outside to do some kind of educational television programming, or how you would do that. We are aware there is a problem. We just do not have much in the way of solutions yet.

Mr. Radford: We cannot offer any right now, but we do have some expertise in that area. If we get some sort of concept of what you are looking at, we can research it.

Mr. Chairman: I am not sure how much of the committee's report will be spent on that area, but we are aware the end product, for example, is often something that people cannot understand, and we cannot reasonably expect them to understand it unless they happen to be parliamentary junkies and have read Erskine May. I dare say there are not a lot of people in the world who spend a lot of time reading Erskine May. We have had most of our prime concerns at least identified. I do not know that we have had them answered.

One of the difficulties we will have is that this committee will make recommendations about how the coverage might be implemented. As Mr. Mancini pointed out, from a member's point of view, it is of no use to people in Windsor--200,000 of them--if they cannot see it. We might do the world's greatest television production here, but if nobody in Windsor can see it, it is not much of service to anybody. I think we are at the point where we have made the distinction that we are not essentially interested in broadcasting for news purposes. Other people will cover that.

It will be much like what is on my TV set. If I wanted to, I can flip a channel and get the stock market quotes for today, find out the weather in Atlanta, Georgia, turn to a news network, or follow on the parliamentary channel the proceedings of the federal House. We are interested in providing a reasonably accurate record of the business of Queen's Park. That may not fall into your broadcasting mandate. It seems to me it is somewhat different.

Mr. Radford: I must confess I was not aware of the Windsor area. That is a tremendously large population not to be served by cable. Why has a cable company not been in there?

Mr. Chairman: The trick is, if we want to hit Windsor, we are going to have to go to CBS, NBC and ABC. That is like Miami Vice.

Mr. Radford: There is another area that has been brought up, another aspect that can be looked at, but it is all money. You have been talking about that from the beginning. It might be possible to put a repeater transmitter in the Windsor area. Channels would be awfully scarce because it is a heavily populated area. It would probably be a UHF channel--VHF actually--so somebody with his own channel selector could actually select that channel. That would be a direct off-air thing. It would be unmanned. We use them in smaller power transmitters in northern Ontario.

11:30 a.m.

All of our transmitters are this way. They are not manned. They pick up off the satellite and go out over a standard transmitter. That could be something, particularly in a large area that is underserved by cable. I would not suggest you would want to look at it immediately, but somewhere down the line as you expand the distribution network, you might want to investigate that. As Mr. Boyko has pointed out, it is quite true that channels are very scarce, particularly around Detroit, which is a heavily populated United States area. Every small community within 50 miles seems to have a television station.

Mr. Newman: In the Windsor area we have too many channels. We have all of the US signals.

Mr. Radford: I suspect you are right.

Mr. Shapiro: I know we have some problems in terms of our signal in the Windsor area because of the location of our transmitter and the overload from the American side, but if, as Mr. Radford suggests, you are interested in looking at an on-air as opposed to a cable system, then you have to examine all the ramifications. You would have an on-air network such as the current TV Ontario one, whereas if you use cable, you do not have a system to maintain. You provide the feed, the cable company picks it up, and there are no maintenance costs.

Mr. Boyko: There are no operating costs.

Mr. Shapiro: That is correct. It is a very different thing just to allow the cable companies to use the signal as opposed to getting it out on air. Once you set up one transmitter serving 200,000 or 500,000 people, you will have the rest of the population of the province looking for their own service. Thirty per cent of the people in Ontario do not receive cable.

Mr. Newman: They are wiring the Windsor area now.

Mr. Shapiro: Yes, so I understand.

Mr. Bossy: We get channel 8 from Chatham and we have 59. It is transmitted within a few miles outside right now.

Mr. Shapiro: That is right.

Mr. Bossy: How far does that transmit? I am just interested in knowing why they would not transmit as far as Windsor.

Mr. Shapiro: I think the B contour from that transmitter has about a 38- or 45-mile radius.

Mr. Boyko: I did not think it would be that high.

Mr. Bossy: It would go into Essex county on certain--

Mr. Shapiro: We have a transmitter, though, that serves the Windsor area as well.

Mr. Boyko: However, you are also limited. You cannot just broadcast big power because what you are going to do is interfere with all existing stations. You have to stay within certain parameters.

Mr. Chairman: That would be nice. We could go on air and knock off every other channel. That would be a really popular move.

Mr. Bossy: In Windsor we receive the channel 59 signal.

Mr. Radford: We have a transmitter in Windsor on another channel, 32, and that is exactly the same programming as you receive on 59.

Mr. Bossy: So by establishing another transmitter there, we could beam in a different channel to bring it in.

Mr. Boyko: You would have to have a different channel, yes.

Mr. Bossy: Is that the expansion you are talking about as far as extra transmitters are concerned?

Mr. Boyko: That is right.

Mr. Newman: There seems to be a proliferation of discs developing in the Windsor-Essex county area. What are they doing exactly?

Mr. Radford: Watching Home Box Office, free movies from the United States, I would think.

Mr. Boyko: That is right.

Interjection: They are stealing.

Mr. Radford: Yes.

Mr. Boyko: Depending on which satellite they are looking at.

Mr. Newman: Would they be taking any Canadian broadcasts?

Mr. Boyko: They could.

Mr. Radford: They could get the parliamentary channel. They could get our feed direct.

Mr. Newman: Most taverns have the disc either on the lawn or on top of the building.

Mr. Chairman: There are many parts of northern Ontario where a cable, wired operation is not a commercially practical venture.

Mr. Radford: We have a multitude of small, low-power, 20-watt television transmitters in northern Ontario with their own dishes, picking up the satellite, bringing it down and then putting it out through this low-powered transmitter. They serve areas of maybe two or three miles radius, but they are small northern Ontario communities. In many places that is the only television they have. If you were to put another one in there, they would have two channels and they would be away to the races.

In those non-cable areas, the only real answer is low-power relay transmitters, the LPRTs, as we call them. The cost of those is \$50,000 in installation, pretty well, is it not?

Mr. Boyko: It is not quite that high.

Mr. Radford: Great.

Mr. Boyko: It is about \$38,000.

Mr. Bossy: Is there any federal assistance funding for these transmitters?

Mr. Radford: We have not found any.

Mr. Shapiro: No. All our capital expansion has been paid 100 per cent by the provincial government.

Mr. Bossy: Having sat in on many discussions with the minister in Ottawa, I have heard his concern over the stealing and establishing of these dishes. It was said about three years ago that it would be uncontrollable by the CRTC. They could not control the dishes. I think we are leading right into that now.

Mr. Radford: It is uncontrollable.

Mr. Bossy: My first question was whether the federal government had any interest, because I am sure it was concerned. We have many people complaining about the distribution of television in the remote areas and they might have suggested TVOntario establish more with federal help.

Mr. Radford: The only way we are getting any assistance from the federal government in the establishment of broadcast facilities is in the new French-language service which is in now. The federal government has pledged \$3 million a year for five years and it is being matched by Ontario. That will establish a distribution system for the French service and provide money for programming.

We are in the process of setting up exactly what you are talking about for distribution purposes, except that it is a French-language educational television program service. We are in the process of doing that right now. We investigated it for our own purposes and found that is the only way we could do it. That is why we make the same proposal to you.

Mr. Chairman: We have pretty well got to the point where we have what we want. What would be helpful to us is any studies

you have done in this field that you feel you could make available to us. The critical decision to which we have to address ourselves is the distribution. You may have studies in that regard that might help us get a handle on what we have to do to make this kind of programming available to the largest number of people at the least amount of money.

We have had various suggestions about the satellite feed, the uplink, from doing that ourselves to simply making it available. Are you involved with or otherwise informed of considerations that are going on to provide this same kind of service from the House of Commons? I am told they are considering moving from the way they provide it now to the satellite system, the basic across-Canada network. I take it you are not involved in that directly.

Mr. Radford: No, I am not aware of that.

Mr. Chairman: I think those are preliminary discussions.

If we opted, for example, to provide a feed that is available to cable systems, since you do a tape distribution system at TVO, would you be interested in incorporating a similar tape distribution system of the proceedings from here? In other words, if we used TVO as the licensing agency that put it out, could you incorporate in your tape distribution system a system that would also provide tapes of the proceedings of the Legislature?

Mr. Radford: Sure. That would be a natural follow-up.

Mr. Chairman: Okay. We might be able to do a fill-in if we were able to hit only 70 per cent or 60 per cent with cable feed and we provided the other 30 per cent through picking up tapes from you.

Mr. Radford: They call it a bicycling system. They bicycle the tapes around the different cable companies.

Mr. Chairman: That might fill in that gap.

Mr. McLean: Is TVOntario totally funded by the province?

Mr. Radford: No, it is 70 per cent funded by the province.

Mr. McLean: Where does the balance of the funding come from?

Mr. Radford: The balance of the funding comes from our own revenue development operations. We sell the programs we produce to educational broadcasters throughout the world. Our biggest market is in the United States. Last year about \$4.5 million in revenue came from the sale of our programs.

We also have a number of programs that are underwritten by government agencies on a project-specific basis. In other words, it is not only operating funds. For a number of years the

Secretary of State in Ottawa has provided us with a considerable amount of money each year to help us with our French-language programming. There are also provincial ministries with which we have been involved with project-specific funding. That is part of the 30 per cent as well.

11:40 a.m.

We solicit corporate underwriting as well. We have a group of people who go to see large corporations and ask them if they would care to underwrite some of our programming. We have been moderately successful in that. Then there is our public membership drive that we started two years ago, which last year brought in about \$1 million in funds. We are able to pick up 30 per cent of our operating funding from those areas. The other 70 per cent comes from Ontario through two ministries, the Ministry of Citizenship and Culture and the Ministry of Education.

The Ministry of Education funding, incidentally, is project-specific. We must spend that money on specific programs aimed at school children. That is something we had not thought about when you talked about the possibility of disrupting that school service. The Ministry of Education's funding must be used specifically for those purposes.

Mr. McLean: I have a question that may have been asked when I was absent for a few minutes. Do you have estimates of the approximate cost of taping proceedings in the House for the duration of the sittings of the House?

Mr. Radford: Just as a record, so you would have tapes on record.

Mr. McLean: Yes.

Mr. Radford: I think you would probably want to do that.

Mr. Shapiro: We do not have cost estimates, but I think that anything you decide to televise with electronic Hansard you would be interested in keeping on master tapes in perpetuity. Members of the assembly and staff could draw on that through the legislative library.

Mr. Radford: We do not have cost estimates, but we could develop some for the committee. That might be something you would well want to incorporate into it.

Mr. McLean: It would be good information.

Mr. Chairman: We thank you for attending before the committee this morning. We appreciated the opportunity to have a chat with you about this. As you may have gathered, we are a little at a loss in certain technical aspects of this and you have been of some assistance to us. If you could provide us with any other information, it would be helpful.

This committee is not particularly charged with the responsibility of actually putting out tenders, buying it and all that. We are aware of the aspect that affects us directly and on which we will comment, the matter of accessibility so that we represent all the members in all the ridings. We are anticipating that if we put out some kind of report that recommends you televise the proceedings, but only people in Toronto can see it, we are certainly going to hear about it. Distribution is an aspect that is not our prime concern, but it is going to be one of them.

Mr. Radford: If there are any further questions, we are in the Government Services telephone book. We would like to extend an invitation to any member of the committee to come up to Yonge and Eglinton to see us. Whenever you have an opportunity, just give us a call and we will be delighted to show you what this agency of Ontario is doing at present and how we go about doing it.

Mr. Warner: The only thing we want when we get on air is Elwy Yost for narrator.

The committee recessed at 11:45 a.m.



STANDING COMMITTEE ON PROCEDURAL AFFAIRS AND AGENCIES, BOARDS
AND COMMISSIONS

TELEVISION IN THE LEGISLATURE

THURSDAY, AUGUST 15, 1985

Afternoon Sitting

STANDING COMMITTEE ON PROCEDURAL AFFAIRS

CHAIRMAN: Breaugh, M. J. (Oshawa NDP)
VICE-CHAIRMAN: Mancini, R. (Essex South L)
Bossy, M. L. (Chatham-Kent L)
Marland, M. (Mississauga South PC)
McCaffrey, R. B. (Armourdale PC)
McClellan, R. A. (Bellwoods NDP)
Morin, G. E., (Carleton East L)
Newman, B. (Windsor-Walkerville L)
Sterling, N. W. (Carleton-Grenville PC)
Treleaven, R. L., (Oxford PC)
Warner, D. W. (Scarborough-Ellesmere NDP)

Clerk: Forsyth, S.
Assistant Clerk: Decker, T.

Substitutions:

Lane, J. G. (Algoma-Manitoulin PC) for Mr. Sterling
McLean, A. K. (Simcoe East PC) for Mr. McCaffrey
Cooke, D. R. (Kitchener L) for Mr. Morin

LEGISLATIVE ASSEMBLY OF ONTARIO

STANDING COMMITTEE ON PROCEDURAL AFFAIRS AND
AGENCIES, BOARDS AND COMMISSIONS

Thursday, August 15, 1985

The committee resumed at 2:26 p.m. in room 228.

TELEVISION IN LEGISLATURE
(continued)

Mr. Chairman: This afternoon, if it is possible, I would like not to have a long session, but before we ask the clerk of the committee Smirle Forsyth and others to begin to draft a report it would be useful to make sure that we have the framework outlined and we are in general agreement. If other people want things included in the draft report, they will get an opportunity this afternoon to put them in. There are a couple of occasions in here where we will be looking for some direction so that when the staff people write this report they will have some idea of what the committee wants to do.

Because of the time frame in which we are operating, at the end of the afternoon I would like to be able to say to Smirle and others who actually will be drafting the wording of the report: "This is the direction in which the committee wants to go. We would like to see a report drafted which covers these items." When it comes back to us, we will see it in its final form and will have an opportunity to pull it apart, make other recommendations, perhaps highlight some things and take out other things and do some work on the wording.

However, the concept is that today we will know what this report is going to look like. When we come back from our review of the northern agencies, for a couple of days of committee time we will have an opportunity to go through the report. That would be it for now. That will be the report to be tabled with the Clerk of the House by about the end of August, so we will have some leeway here.

For example, you now have copies of what we did the other day in a draft form of guidelines. Smirle has gone through that and drafted up a second version of the same thing. It probably reflects as much of a consensus as there was in the committee. If we had been able to get started a bit earlier, we probably could have gone through that today; however, that is the idea. You will see a report that will look something like that, to reflect a consensus.

We will not get to votes today; we want some time to consider it in committee. Perhaps I can just go through this. Has everyone got a copy? Basically, all we are looking for is to make sure we have covered those items of concern to members. If there is a need to grab a consensus around something, would you point that out to me as I go through it and we can talk about that for a while? I think it is fairly straightforward.

We want to go through some discussion about the electronic Hansard we saw in Ottawa and a somewhat broader concept that we will probably wind up calling "televising the proceedings of the House" or "providing television coverage of the business of the House." We will go through that type of definition.

The purpose of the exercise is to provide an accurate, factual and coherent record of the proceedings which can be understood by the public, so the subsequent recommendations we make will be based on that. That is moving us away from the idea of something that will record the words of the members, so there will be some distinction there.

We want to make sure that from the members' point of view everybody will get equal treatment and it will not make any difference whether one is at one end of the chamber or the other; one will have equal opportunity for good television coverage. Basically, that reflects what we saw in Regina, the attempt that was made there.

We will talk in somewhat broader terms because I believe the consensus of the committee is that the Regina way of doing things is our preferred option; that is the route we want to go, and it will cover just about everything from the nature of the proceedings and how they are laid out from a television point of view, to the kind of equipment, to their whole approach of televising the proceedings. I think that is our preferred option. Again, if I am wrong on any of these, let me know.

Therefore, we want to have some kind of a director of broadcasting, a Gary Ward concept of someone who understands the system and is in control of it and directs it. That will mean not a large organization but a relatively small one with someone who understands the system and kind of works us through. We would reiterate some of the things we heard in testimony this week: that this is to be a professional operation with some flexibility involved, that it is not meant to be an amateur night and that we are looking for good-quality broadcasting. It would be done in-house under the control of the Speaker and a committee of the Legislature.

The staff would not be large. We would do as much as we could to avoid the creation of a large staff. In the beginning, we would run for a trial period of some weeks, perhaps for as long as a month or so. As members of the Legislature, we would have the opportunity, probably in our caucuses, to review the way the proceedings are being covered and to offer comments to a committee such as this one. We would have that opportunity if we ran into technical problems about lighting, camera angles and things such as that.

There would be an ongoing review and there would be a formal review of the guidelines, probably within the first year of actual operation of a system. We would have that in mind. There would be regular review by a standing committee, but it would be our feeling that a more formal process should take place after a set period of time.

The next one is simply to amend the terms of reference of this committee so that we would be the standing committee that would do that review. When reviewing, we would be encouraged to talk to media people who might be using electronic feeds and to get some sampling of the public to see whether people are watching the proceedings and whether the proceedings are in a form they understand. We would see whether we could pick up simple ways to provide them more information, whether in visual effects or something else. We would try to be aware of those things.

This committee of the Legislature would work with the people actually installing the system. We are probably more concerned with the effects of lighting and things such as that than with getting a big knowledge of the technical aspects of all this.

We felt that putting time codes on these tapes would be a good idea for purposes of retrieving things. The tapes ought to be time-coded just as the Hansards themselves are time-coded. I would think anyone who would want to use them would need some system. I do not think we want to sit down and watch eight hours of tape to find a 10-minute speech we are looking for.

I do not know whether we want to get into rearranging the chamber, but it was suggested to us that there were some things to be considered, one of which is a slightly different seating arrangement for the members. One suggestion was to put some additional seats along the front. We would have to talk about that in the text of the report.

We do not want to get into how the chamber is set up for every parliament, but for television purposes it is probably true that we will have some technical difficulties when we have a row of members tucked against the deck. It will be difficult to light corners. I am anticipating that whoever might advise on lighting the chamber will advise that it is always going to be difficult to get proper lighting on members who have seats allocated in places such as that, and camera angles would be very difficult. We would have that in mind.

There was some discussion as to whether the audio console might have to be moved. In areas such as that, we would point out areas of concern. We may not necessarily have the expertise. I do not know whether that console has to be moved or whether it is desirable it be moved.

There will be some impact on the chamber because of the addition of television equipment, but my sense is that we will try to put the equipment in there in the least obnoxious way possible. I like the Saskatchewan idea of recessing the cameras. You may recall they simply painted them black so that you did not see a television camera unless you really looked for it. That seems to me a reasonable way to proceed. I do not know whether it is possible to do that in this chamber, but it may well be.

The general idea is that the equipment should be integrated into the chamber and should not stand out. There should not be any platforms or things hanging down.

Mrs. Marland: Regina did a better job on that than Ottawa did.

Mr. Chairman: Yes. We have to remember that in Regina they were renovating the chambers when they installed the equipment, so it was much easier for them to do that kind of integration than it was in Ottawa. In Ottawa, I do not know that they were particularly obvious, but it was not hard to pick out the cameras because they were simply suspended from the ceiling.

We want to talk a little about the need to have the broadcast facilities available and the control room somewhere in proximity to the chamber. In a technical sense, it really does not have to be adjacent to the chamber. There is no reason for that except, when you get into wiring in this building, it really is a bit of a problem because of the old nature of the building. There is no reason that control room has to be in the chamber, adjacent to the chamber or anywhere else. It can be anywhere in the city for that matter, but the further away the more difficult it becomes.

You might consider that there is lots of space around the chamber that could be used. There are lobbies on either side. There is some space available upstairs. It is possible, and it may be preferable, to simply locate it close to the chamber where it is convenient and where you are not going to get into the long-standing argument about whether the Speaker controls that space or the Ministry of Government Services controls that space or whatever. We are looking for a straightforward solution there.

We talked about a timetable for the installation. In practical terms, you may recall Ivan Barclay said that ordering the equipment is probably going to take four to six months if everything goes well. Implementation would be possible before the end of the fall session. You could have the trial period. The complete compilation of full television coverage probably is not too practical until the spring session. As to the distribution of signal, the TVOntario people said today it may be three months but more likely would be six months before someone who had a licence could get permission from the Canadian Radio-television and Telecommunications Commission to broadcast. There are other options such as the use of existing cable systems, which could be done fairly quickly, like overnight. We would want to discuss those options and maybe express an opinion about them.

We would need a little direction on the next one. I sensed two versions of this coming out. This committee feels the media should continue to function in the Legislature without any further restrictions. That is to say that television crews can continue to cover the Legislature. If I am wrong, let me know. That is the way the report would be written.

We need a little direction on whether you want to put restrictions on them any more so than what is now there. I will listen very carefully to hear what people have to say, but in two days of hearings I thought I heard you say: "No, things are all right as they are. They do not need further restrictions." We may need to talk to them about moving things around and maybe get a

door opened here and there and that sort of stuff, but we were not interested in applying more restrictions now.

I think we are in favour of the lighting techniques used in Saskatchewan. We talked about five cameras like Saskatchewan has. I would like to see us talk about having at least two backup cameras that could be used for coverage of committees.

I may be out of line in saying this, but I do not think we could get away with some of the things done in Saskatchewan. It may be fine there when one of their five cameras breaks down and members say, "Fine, one of the cameras is broken. I will not get my best picture on TV." But I would suspect in this House with 125 members if one of the cameras is down, somebody will point that out. If the Hansard service broke down, people in Saskatchewan or someplace else might say: "Oh, that is okay. Hansard is not available today." I suspect here people would say, "We are not going to proceed until Hansard is available." There is a slight difference there.

Am I wrong about the need for backup cameras and for capacity to cover committees?

2:40 p.m.

Mr. Treleaven: I do not think you are wrong. You are saying two backups, one to replace a faulty camera immediately, within the half hour or the day, and another that could be in a committee room. Ottawa has at least two backups, Saskatchewan has none. I prefer Ottawa's example.

Mr. Chairman: Okay. We may want to have a committee room completely equipped. I would think initially we want the capacity to have one made available. Room 151 already has had proceedings televised. That seems the logical one.

I am not sure many changes need be made in that room with respect to lighting or anything else. It seems to me if there were camera installations and a console, that would be all that is needed. You may want more cameras or whatever, but initially five cameras and two as a backup would allow both options.

Mrs. Marland: Do you want us to interrupt you as go along?

Mr. Chairman: Yes, please.

Mrs. Marland: To be clear about what you were saying about the eight or so private television cameras, you feel we agree they can remain under the present guidelines. Have they been formally limited to eight or are we open for additional stations?

Mr. Chairman: My version of what has happened here is the Speaker some time ago allowed the cameras to enter the chamber. The allocation of space was given to the gallery, which I believe does it on a seniority basis. They say, "CFTO-TV can set up here, CBC there, and CITY-TV here."

The Speaker's job is to say, "You can come in under these circumstances," and the gallery's job is to say, "This is where you set up your equipment." It is the same as what is done at the other end of the gallery, where there is a traditional seating arrangement for each of the print media people.

Mrs. Marland: Okay. Would we recommend to the Speaker that additional stations be limited from coming in?

Mr. Chairman: I would not think so.

Mrs. Marland: At the moment, as I have heard, they do not have any restrictions as to their filming.

Mr. Chairman: Yes, it might be useful--it might not--to go back over them and provide in the report statements by previous Speakers on the conditions under which cameras originally entered. I certainly seem to sense, maybe because by practice there are no restrictions on them, the gallery has interpreted it that way, particularly the news crews. I am not sure of the validity of that. I seem to recall, from time to time, statements made by Speakers and directions given. The original conditions were that they were allowed into the chamber to cover the proceedings. That does not include anything else that might happen in or around the chamber.

Mrs. Marland: Do you remember when I asked about their adding to the credence of an improper--or any--demonstration from the public gallery and saying they do add to it just by turning their cameras there? We are likely to get more of these sorts of activities because people who want to demonstrate know it works. Their answer has been, "The fellow at the other end of the House with the still camera can record that."

I still maintain the still photograph on the front of the paper does not have the same impact as television, which has movement, colour and everything else. Personally, I do not have any difficulty with the television crews being there, but I would like to see them restricted from recording things other than the proceedings of the House and anything involving any of the members. As I said yesterday and the day before, I do not want that forum to become a place for demonstrations; there are plenty of other places we can have those.

Mr. Chairman: I have a bit of a problem here. We have a lot of substitutions on the committee this afternoon. I really do not want to take direction and write it that way, then next time we come in with a draft the committee will say, "Where did this come from?"

I propose we draft the report reflecting what I saw as the consensus, that the cameras will not have further restrictions placed on them. We may, for interest's sake include in it Speaker's rulings, guidelines, or whatever, that have been given previously. At the moment when we finalize the report, we will have our argument about more restrictions or fewer restrictions, but it will be drafted in such a way as not to put further restrictions on television coverage.

We have to talk a bit about the provision of monitors. In Ottawa at least, because I do not recall seeing this in Saskatchewan, monitors were provided in the lobby. That would not be very difficult to do. If you wanted to extend it into every member's office, it is fair game for us to talk about. In the future we may use something like Office Automation Services and Information Systems. We are in the middle of negotiating the use of computers.

We might put a mention in our report that when considering any advances in technology coming into the members' offices, we should be mindful that we may want the capacity to have the television monitor present. For most of you who are familiar with that kind of system, if you go to a computerized office, you will have a video screen there. It is not very difficult to allow you to tap into a closed-circuit television broadcast. We might be mindful of that capacity.

Mr. Warner: You are prepared to include in the report in the first draft that we could put a couple of monitors in the lobby? I think that is really appropriate.

Mr. Chairman: Yes. It makes sense to me since it would not be an expensive proposition. Some monitors have to be made available. For example, the Speaker is going to want monitors in his office, probably even in his chambers. There will be several other people who will want to be able to follow the proceedings, even if they are not in the chamber. For most members that may only mean a monitor or two in the lobbies. There are others with more power and influence who will usurp that power.

Mr. Newman: You are making it very tough on the whips when you have monitors on. That is another way to do their job.

Mr. Chairman: The whips will all sit in their offices now with cameras all over the building monitoring who is creeping around what hallway.

Mr. Warner: You say lobbies. Could we be more specific? I automatically assumed the lobby at the front of the building where the general public enters.

Mr. Chairman: No.

Mr. Warner: You assumed the members' lobbies off the chamber.

Mr. Chairman: Yes.

Mr. Warner: What was running through my head--

Mr. Chairman: A short run.

Mr. Warner: --was that it would be nice if people who visit this building upon the first instance of entering the building could see the House in progress.

Mr. Chairman: It might be useful to include some mention that demonstration areas would be useful, or something like that. I do not know. How do you feel about it?

Mr. McClellan: Demonstration areas? That is an unfortunate use of words.

Mr. Warner: Perhaps you could rephrase that.

Clerk of the Committee: In Quebec they renovated most of the main area of the building and they have a part off the main entrance where people go in. There is a film about the National Assembly which is shown to visitors. You could have a holding area for people waiting to go up into the gallery and people coming out of the gallery. If there were some such space, you could have a monitor in there.

Mr. Chairman: I have no problem with that.

Mr. Warner: Very useful.

Mr. Chairman: On the second page we have some areas where I sense we are not quite as definitive, or cannot be at this time. Both the chambers we viewed had made provision for floor sound--I think that was the expression used--that is, microphones in the ceiling that were used as background. As long as that is not an expensive proposition, I do not think it is a real problem. If it were going to cost \$8 million to put microphones in the ceiling, I would say forget it.

Mr. Warner: Refresh my memory. Did they have those in Ottawa?

Mr. Chairman: Yes. You may recall in Ottawa they had three audios they could use. One was a general floor-sound audio, which is noise on the floor, then a Hansard in English and a Hansard in French. When they were mixing, those were the three options they had.

2:50 p.m.

Mr. Warner: I remember that, but what about Regina? They did not have that.

Mr. Chairman: I do not believe they had that in Regina, but their microphone system was much better.

Mr. Warner: It was super. There was not a sound problem.

Mr. Chairman: We may point out that we anticipate a bit of a problem with the microphone system in the chamber here, which in my experience has never worked particularly well, so there may be a need to do something there.

There are a couple of areas that do not seem very contentious but may turn out to be. When we finalize the report, we have to address ourselves to the concept of having a closed-caption facility included into it. It seems to me that if

we are all devoted to programs that would help people who had a problem like this, whenever we went to production facilities of, for example, the television program, we should see that it, too, had closed-captioning. The other option would be to do as the federal feed does, provide an insert where someone does the translation. That is the other option, but we would want to talk about that and maybe explore whether it is an expensive add-on to the system or not. I really do not know whether it is.

The second area is slightly more contentious, and that is the provision of French-language services. I recall--and I stand to be corrected on this--when we had the debate on the Constitution, that was televised by TVOntario, and a translation service was provided by French-language services from the Ministry of Intergovernmental Affairs, I believe.

The difficulty is that Ontario does not have two official languages, so the record of the proceedings is kept in English and a translation is provided not quite where numbers warrant, but when requested. In the official record, if someone speaks the French language, for example, the words are printed in English, and I believe a notation is added that says something was spoken in French. How do they do that?

Clerk of the Committee: It is printed in the language spoken, and if someone speaks in any other language, it is just noted that Italian was spoken but it is not put in the text.

Mr. Chairman: This is the range of problems we would have to look at then. We obviously do not have an audio feed in two languages here; we have an audio feed in one. I am not sure whether providing a translation for a French-language program would be an expensive process or not. I know it was done here before, but to do that on a regular basis may be rather expensive.

Mr. Warner: Could we at least get a cost estimate?

Mr. Chairman: Frankly, from our point of view, we are not in the business of costing this. We will try to provide information to the board on the costs of it. I would think this committee should say that in principle it wants translation services and closed-caption services provided. Ultimately, the board would be responsible for paying the bill and providing the services. How far you want to go is really up to you.

Mr. Warner: We have not had much discussion on this.

Mr. Chairman: No.

Mr. Warner: My own preference is that, as I raised the matter of closed-captioning, I feel strongly about it. However, that does not mean anybody else does. You may not want to have that in the report, but I have a certain concern about that.

In reference to the translation, if we were looking at this report in philosophic terms, it would be great, no problem. It should be available in both languages that are the official languages for Canada, recognizing that Ontario as a province is an island outside of the country.

It is easier for us to do it philosophically than it is to do it cost-wise. If we are not addressing the cost question, okay.

Mr. Chairman: I am not saying to ignore it and I am not really begging the question to have the argument this afternoon. I am trying to put the notation here so that when a draft of the report is put forward, if you want to have an argument about translation, the opportunity will be there. We will not have to scramble around and we will at least have the framework to have an argument.

Mr. McClellan: At this point, I would suggest that it be part of the report and that we address ourselves to it.

Mr. Chairman: Yes. I put it in there because Joan and a number of other people had raised the matter of the provision of French-language services.

Mr. McClellan: I do not think we should just pass over the question.

Mr. Chairman: I agree.

Mr. Mancini: I am sorry I am late. I am doing a couple of other things today and I will not be to stay much longer. I wanted to come in to make a few comments because we are at the point where we are close to drafting something.

First, I will deal with the French-language situation. It would be very difficult to have closed-captions and ignore French-language translation. In Ontario, at this stage, it would be a pretty difficult decision to have closed-captions, although it is a very good idea. While it may not be our primary concern, we have to know what ball park we are in concerning the cost of the translation. Whether or not we are philosophically concerned about the cost, we should know where we are playing.

I suggest the figures we have been using for the cost of the implementation of the system, \$1.5 million or \$2 million, are 1982 figures. I am not so sure we can keep relating those figures to the installation costs. The costs of things have gone up--

Mr. Chairman: That is not our concern. That is why I have been happy to use those as ball-park numbers.

Mr. Mancini: Yes. I have noticed it has been reported in the media several times that we are talking about spending \$1.5 million or \$2 million. After our consultants do a report for us, if we come up with a \$4-million proposal, which may not be out of whack taking into consideration the Ontario Legislature is different from the Saskatchewan Legislature--it is bigger and structurally different--and also that those figures are three and a half years old, it might unnecessarily make us look like big spenders when we are not. I want to make a special point about the cost of things.

The report we are going to write will be a very good one. We are not all going to agree on every point in the report. It has been our practice to sign all reports without filing any kind of minority reports, with the stipulation that each point in the report is not necessarily agreed to by every member. The only part of the report I would have difficulty with would be the part concerning the director of broadcasting where we state we would allow for professional flexibility.

The flexibility for the director should be within the guidelines we prepare for that individual. I do not think we should put ourselves in a position of giving a person these guidelines, whether they come out exactly the way they are written, and then three months later say we expect him to have more or less professional flexibility. We are sending out two different messages. We are saying that here are the guidelines, and in the report we are saying we will allow professional flexibility. Depending on the nature of the individual--people do things different ways--

Mr. McClellan: Flexibility within the guidelines is what we are talking about.

Mr. Chairman: That is the way we would intend to put it.

Mr. Mancini: Flexibility within the guidelines.

Mr. McClellan: Within the context of the guidelines.

Mr. Chairman: These are the parameters within which you operate, and you can do whatever you want within those guidelines.

Mr. Mancini: Not more.

Mr. Chairman: Not more. That is the way I think of it.

Mr. McClellan: That is what we are trying to convey.

Mr. Warner: That is what we are aiming at. Your point is well taken.

Mr. Mancini: Maybe there should be an explanation of that, as Bernie suggested. Without belabouring the issue, that is probably a more than adequate answer to my concern.

The other thing I am very concerned about, which I want to have on the record and discuss with the committee, is the time frame. I am hoping this is going to be ready and in the hands of the proper people even before we come back for an official sitting.

3 p.m.

Mr. Chairman: I will run over that again. I am suggesting to the committee that we hope we will have a draft report ready for the sitting in the last week of August. That will give the committee a couple of days to look it over and a couple of days to debate it. We would hope to be able to table that report with the Clerk by the end of August. We might miss by a few days. but that is the general concept.

Because of the advice we got about buying equipment, we are suggesting it may not be possible actually to get the equipment physically here much faster than in a four- to six-month period; so it may be possible to have a little trial period by the end of the fall session. We are probably looking at full-tilt implementation most likely at the beginning of the spring session. That is kind of our time frame.

Mr. Mancini: Are we going to mention that in our report?

Mr. Chairman: Yes.

Mr. Mancini: That is fine, as long as we have some particular definitive goal we are shooting towards and know how we will get there eventually. That was beginning to become a concern for me.

Mr. Chairman: While you are still here, could I go through the next point because I really want some direction on the distribution stuff before we draft a lot of stuff. I would say at this time that we are talking about most likely making televised proceedings available to cable companies in the short term and that we would take up the offer of TVOntario to distribute cassettes to other areas, so our distribution system would be relatively simple and inexpensive initially.

If we were to entertain the concept of providing uplink services through a satellite--and that would not be our first preferred option--we may be able to consider that a year from now, or as we go on through, or if we see that the cable stations are not running it, or there are a whole lot of complications.

However, the draft report will talk about providing coverage here and making that available through TVOntario as licensed through CRTC. The cable companies then would be encouraged to run that and anybody in Ontario could get cassettes of proceedings from TVOntario. They have a distribution system in place and we would use that. I suppose they could come to the legislative library and get copies of it if they wanted to see it. Later, they could go to the archives and get it.

That is the sort of direction we are talking about in terms of distribution. If people want more than that, give us a hint now.

Mr. Treleaven: You and I were discussing, while waiting for a quorum, that perhaps it would be the simplest to try to tag on to what the federal people are doing now for distribution, to try to join them or add on the same facilities, to keep it as simple as possible at the beginning, because the whole thing can break down if you start out and set up the best system in the world and then find out you have terrible complications trying to get it distributed. The whole system may break down.

My suggestion is that we keep it as simple as possible on the distribution side.

Mr. Chairman: I think I am hearing a kind of agreement. There is not a lot of nodding going on here, but that is the kind of general direction in which we will go. What it really means is we would not do a great deal of exploration of the technology or the costs of the satellite system or how many staff people we need or all of that. We would set that aside for another day.

My version of it would be that if the federal House of Commons is contemplating that, we should be aware of whatever work it is doing in that regard and see if we might play some role in that, but we would not initiate such a distribution system.

Mr. Warner: I am a little bit confused. In regard to writing the report, is it your intention to outline a number of options with which the committee has been presented and then recommend option A out of several?

Mr. Chairman: Around something like distribution? No, I would say the comments we would make in the report about distribution would be similar, though more eloquent than what I have just laid out. We would say we would make the proceedings available, cable companies could use it, TVOntario would be an agency which has a licence to broadcast and could make it available and could do cassette distribution with the technique it now has, but we are not talking about a major production facility with satellites and broadcasting.

In other words, the live, on-air capacity would be rather limited, as the proceedings from the federal House are right now; they do not broadcast in the sense that they have a signal going out which one can pick up. They provide it to cable companies and cable companies run it. If you have a converter, fine, you can see the parliamentary channel; if not, the best shot you get is that you can watch TVOntario.

Mr. Warner: If we do that, does it undercut our original premise of providing live, gavel-to-gavel coverage?

Mr. Chairman: It places some restrictions on it. The estimate from TVOntario is that cable companies--in other words, wired outlets--would get us to between 60 per cent and 70 per cent of the population of Ontario. The theory we would be using would be that 70 per cent could get it on cable. The other 30 per cent could phone or write to TVOntario and it would deliver a cassette, or they could go to the legislative library and get it. The distinction would be that we are not broadcasting a parliamentary channel.

If you want to consider that as a major option we will talk about it in the report, but you are talking about a lot of money when you talk about that kind of distribution. No one else I know of does that. As Dan Rath said yesterday, that is his first option. The guy from CFTO said that is what we ought to do.

Mr. Warner: I am not quarrelling with what you are suggesting for distribution. All I am saying is the moment that appears in the report, the astute reader will remember the beginning of the report sets out the premise that the committee is

trying to cover the proceedings live, in total and gavel to gavel, and he will say: "What happened between the beginning and the end of the report? These guys set out to do something and the end-of-the-report conclusion is that the program will be available to those who are willing to pick it up and there is no guarantee it will be broadcast live. It simply may be a rebroadcast at whatever time is convenient for the cable station."

Mr. Chairman: I remind you this approach is the one that is now being used for the social development committee hearings. When they are sitting in room 151, those hearings are available every day live as they happen. You can watch it in my home and I think the home of everyone in this room.

Mr. Warner: If we opt for the distribution system you are suggesting, we do not have any guarantee that--

Mr. Chairman: No, you do not, just as if you opt for the other system and broadcast it by means of satellite and put the signal up in the air live, you have no guarantee anybody is going to watch that either.

Mr. Warner: To be honest, we are going to have to say we recognize that the original intent of the committee cannot be met because of financial constraints.

Mr. Chairman: I could be relatively honest and say: "Here it is. It is somewhat limited. If you want us to explore the other option of trying to get a channel and broadcasting live on-air, say so now because it will entail a lot of work."

Mr. McClellan: Why not put in both? Why not just do a descriptive thing of both in the draft?

Mr. Chairman: I heard Mr. Bossey say this morning that was the option he wanted, that we should put it up on satellite and let people pick it up.

Mr. McClellan: Let us talk about the range of options.

Mr. Chairman: Do you want the report written so we say as much as we know about both options and then later on one can choose?

Mr. Warner: Otherwise it appears that for some unexplained reason we have deviated from our original purpose. If you allow the options--

Mr. Lane: We should have it so you can have either/or.

Mr. Chairman: Okay.

The other aspect we are suggesting, and we have said it throughout the hearings, is that we will stick in any information we have gathered from virtually anywhere. From Regina, we have cost estimates that may well be outdated, but I am not too sure of that because I heard Ivan Barclay say that, if anything, the cost has stabilized and perhaps has gone down somewhat. We do not know

whether those costs are relevant, but they do give us an operational number that one can hang on to.

Mr. Warner: There are names of companies and so on.

Mr. Chairman: In addition to the information that was given to us by the people in Regina, are there other things you want in the report?

Mr. Warner: Yes. There should be some mention of the relationship between the taping and the public archives and what process is being suggested there. There also is the availability of tapes to members.

Mr. Chairman: Okay.

3:10 p.m.

Mr. Warner: There should be a little section on what I hope the committee will recommend, that there be development of educational materials through TVOntario for use in our schools and communities throughout the province. I was very impressed with the people from TVOntario this morning; they seemed quite keen to be involved in that sort of thing.

Mr. Chairman: We will put a section in on that.

Mr. Treleaven: About halfway down the first page you are talking about rearranging the chamber. I question whether we should be getting into suggesting the chamber be rearranged, adding additional rows of seats and discussing the Speaker's gallery and so on. I question whether we should be getting ourselves that far afield from the original idea. When we talk about additional rows of seats, that is quite a little piece away from an electronic Hansard or television.

The second thing, two items down, is that the chairman mentioned an interim installation being in place for the spring session. I think you mean spring of 1986.

Mr. Chairman: Yes.

Mr. Treleaven: Those are the only two comments I have to make.

Mr. Chairman: We talked somewhat in the report about how this is put into our chamber. I do not want to see a system put in place that has wires running up and down the floor of the chamber. I would like to see something better than that. I would prefer, if renovations are going to take place, that some group of members has a say in that. I do not want some architect, engineer or TV person of some kind sitting down and saying this is what we are going to do and then we walk into the chamber and see it.

I would like some group of members, probably us, to be working with that person, because those are our working conditions. We do not have many rights, but we have some right to be aware at least of the changes people are contemplating. I do

not want someone redesigning the chamber or laying cables all over the chamber.

I want us to have some say in whatever alterations are made to the chamber, whether to the sound system, the seating arrangement or whatever, so members are aware of what is being proposed and play some consultative role in all of that.

Mr. Warner: I do not like to speak for someone else in the committee, but I think Norm Sterling had voiced a concern about the general deterioration of the building. There should be mention in the report that the committee recognizes that in making the alterations to accommodate television and the audio portion, the building in general is in bad shape and requires substantial work; but this should not in any way interfere with us getting started with televising the proceedings.

Mr. Chairman: I may be a little presumptuous, but I would go so far as to say this committee does not want to see the televising of the proceedings used as a vehicle whereby the whole building gets renovated. Such renovations that are necessary we think ought to be done.

Mr. Newman: It may be such.

Mr. Chairman: It may turn out to be that.

Mr. Warner: I might put it this way: Whatever substantial renovations are required, and the committee recognizes substantial renovations are required, they should not in any way interfere with the timetabling of televising the proceedings.

I think Norm was expressing, and I agree, that the building itself is in need of great repair. The sooner that starts, the better, but at least do not use it as an excuse to put off the televising.

Mr. Lane: There is something to be said for that. Our committee had a tour of the fifth floor three or four weeks ago and there is substantial need for reconstruction, if that is the right word, of the fifth floor. We would not want to mix them up too much.

Mr. Chairman: Is there anything else you want to see drafted in the initial report? We have handled that pretty well.

I have one other item, which has been suggested to me by one member of the committee. There was a reference in the Privacy and Access to Information Act, which is now tabled, that the procedural affairs committee would be one of the vehicles that would be used in connection with the bill. The bill has not been referred to the committee; it may come before us at some point but it is not technically here now.

There has been some discussion in the committee about talking about that freedom of information concept or package and that bill. I am a little reluctant to proceed on that until we have a more definitive reference from the House. I am not opposed

to the idea of the committee discussing it, including it in its itinerary and doing things of that nature, but I do not see that we have much in actually having that on our agenda yet.

I am aware that it may well get here. I am sure we have opinions on it and all of that, but it is not formally part of our agenda; so I am precluding that until such time as I see a more direct reference of it.

Mr. Warner: What is the status of the bill now?

Mr. Chairman: The bill has been tabled.

Mr. Warner: There has not been second reading debate of it?

Mr. Chairman: No. Second reading debate has not taken place yet.

Mr. Warner: And neither has it been referred to this committee?

Mr. Chairman: No.

Mr. Warner: That can occur without having second reading debate, although it is unusual.

Mr. Chairman: Yes, but it has not.

Mr. Warner: It has not happened. Therefore, properly we cannot deal with it.

Mr. Chairman: If we were to get a little more active, I would want to make sure I had some consultation with the House leaders that it was destined to get here in some form. Quite frankly, I am not looking for things to put on the committee's agenda; we are a little busy for a while.

That concludes that. The next item is that we have changed the schedule somewhat, and I want to make sure you know we will meet in this room at 7 p.m. on Monday. We will have a briefing from staff on the northern agencies we are going to review. Some refreshments will be available; so if you are travelling in you will not have to stop to eat before you get here. We will then make arrangements to take you to Union Station, where we will get on a train and go north. We remind members we are going north and it does get cold.

The other thing is for your long-term information. It is my intention that after we return from our northern excursion next week, we will try to get back to a schedule of sitting three days a week in September. When you are planning constituency work, making appointments and things such as that, we will try as best we can to stick with a Tuesday, Wednesday and Thursday routine. Unfortunately, between now and then we do not have much choice in the matter.

Mr. Warner: We return on August 26, and then we have

this full schedule, meeting on August 27, 28 and 29, with little visitations, etc. Right?

Mr. Chairman: Yes.

Mr. Warner: How do you propose working in a discussion of this report?

Mr. Chairman: To avoid sitting an extra day, we may have to do a couple of evening sessions. Some of the agency review can be handled in the morning by visiting the stock exchange or whatever it is we are doing that day. However, to avoid sitting an extra day, we may have to extend the hours somewhat. When we are on the road we can talk about whether you want to do that. That is the option that is available.

Mr. Warner: Or a lunch meeting?

Mr. Chairman: Well, extend the day in some way, yes.

The clerk says you should take Gravel when you go north.

Mr. Newman: We do not sit at 2 p.m. on Monday?

Mr. Chairman: No. The Monday session will begin at 7 p.m. and run all night long.

The committee adjourned at 3:20 p.m.

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Government
Publications

STANDING COMMITTEE ON PROCEDURAL AFFAIRS AND AGENCIES, BOARDS
AND COMMISSIONS

METROPOLITAN TORONTO CONVENTION CENTRE CORP.

WEDNESDAY, AUGUST 28, 1985



STANDING COMMITTEE ON PROCEDURAL AFFAIRS AND AGENCIES,
BOARDS AND COMMISSIONS

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Warner, D. W. (Scarborough-Ellesmere NDP)

Substitution:

Yakabuski, P. J. (Renfrew South PC) for Mr. McCaffrey

Clerk: Forsyth, S.

Assistant Clerk: Decker, T.

Staff:

Eichmanis, J., Research Officer, Legislative Research Service

Witnesses:

Maxwell, J., President, Metropolitan Toronto Convention Centre
Pustil, S., Chairman, Finance and Operations Committee

LEGISLATIVE ASSEMBLY OF ONTARIO

STANDING COMMITTEE ON PROCEDURAL AFFAIRS AND
AGENCIES, BOARDS AND COMMISSIONS

Wednesday, August 28, 1985

The committee met at 10:16 a.m. in room 228.

METROPOLITAN TORONTO CONVENTION CENTRE CORP.

Mr. Chairman: This morning we are reviewing the Metropolitan Toronto Convention Centre. We have with us John Maxwell, the president, and Stephen Pustil, the director of the board.

Normally, we offer those who come to the committee an opportunity to put on record any information they think the committee should have and point out areas where they think things might be improved or otherwise.

You all have a copy of the research document John Eichmanis put together. That will be the basis for the beginning of questioning. Yesterday we toured the facility. Most of us were quite impressed with the physical plant and we are aware of the workings of the convention centre.

Mr. Maxwell: To review the project, as we refer to it, it began officially in 1971 with various groups in Metropolitan Toronto recognizing the need for a facility such as this and making recommendations to various bodies of government. From 1971 through 1978, it was a pet project of the Board of Trade of Metropolitan Toronto and the metropolitan council. Several sites were studied. There were all kinds of things going on. Eventually, a feasibility study was done, which you may remember was the Gladstone report, which identified the economic viability of such a project.

The recommendation and approval of the project, the site and funding from three levels of government occurred in 1980. Construction started on August 9, 1982. The building was opened by Her Majesty the Queen on October 2, 1984. There were roughly 26 months of construction.

Since then we have had success in bookings and favourable comments from the users of the facility. In comparing it to facilities in Canada and, more important, in the competitive cities we deal with, we have done very well. That is a combination of things. One is the destination, Metropolitan Toronto, and another is the facility itself. The people who decide on these things, the boards of various associations, must make a destination decision before they make a decision on a facility.

The facility is considered to be very modern in design and technical capability. Last week we had a San Diego group and their architects looking at the facility. They have a similar kind of

lot they are going to build on in San Diego. Our architect, Arthur Erickson of Vancouver, suggested they look at this facility, which they considered to be the finest for its size that has been built to date.

We compete generally in the convention market with the major cities in the United States. Metropolitan Toronto ranks roughly seventh in meetings and conventions in North America. That is thanks to a hotel plant that has been here for some time, with four major hotels with meeting facilities, banquet facilities and a very fine Metropolitan Toronto Convention and Visitors Association that has competed with all the major cities in the US for this business.

Sales to the convention market commenced in 1980 when this whole thing started, first with the convention and visitors association. When our company was established in 1981, we had one person with sales and both the sales manager and I were involved in selling the destination and the facility to the US market.

The cities we most compete with are Atlanta, New York, Chicago, Dallas, Las Vegas to a degree, San Francisco, Boston and Detroit. Those are the major cities that have facilities, which in most instances are considerably larger than our own. That is the market we compete in. We really compete for conventions that are of 5,000 people and up or that require exhibit space which exceeds that of the hotels. That is roughly anything in excess of 25,000 square feet of exhibit space and has meetings. That is part of our primary target area.

There are some 5,600 associations in the United States. Our primary market is probably about 700 of them. A lot are regional, smaller groups. Incidentally, we have just as many in Canada, because there is always a Canadian branch for each of those associations.

In the international market, there are probably about 400 international congresses that would fit into moving into this country and would consider moving to North America.

To date, we have more than 60 major conventions that have confirmed the building and the city between now and 1994. As we discussed yesterday with a few people, conventions now book about six to 10 years in advance, depending on the number of bedrooms they require. The key factor in the whole equation is the number of bedrooms. If one needs 6,000 or 8,000 bedrooms, to get that in a prime season one has to go out right now. It requires about eight years to clear that number of bedrooms within walking distance of the facility.

Incidentally, in many cities those facilities have had a catalytic effect. For example, the building of the convention centre in Atlanta added close to 10,000 hotel rooms in the downtown area. They were built because of it. It is at a point where, as the latest addition, I believe Marriott is opening about a 1,800-room major hotel in the downtown area. That is a major expansion of that plant.

In the first year, our business has been a combination of conventions. We have had a number of them. One that is in the building now is the Fourth World Conference on Lung Cancer. We have had the neurosurgeons. We had 15,000 Kiwanians in early July. We have had the national congress and draft of the National Hockey League and the international shopping centres. There has been a host of fairly major conventions for the first year. That is in addition to Canadian conventions, regional conventions, trade shows and public shows.

One point I would like to make is the difference between trade shows and conventions. There is a lot of talk about this and there is a very fine line between them. Nearly every type of convention today has some kind of trade show to finance the convention and to finance the association to which it belongs. Some of them are major trade shows that are attached.

The surgeons, for example, need about 300,000 square feet of exhibit space. Even Kiwanis, and one would really wonder what kind of trade show they could have, had 68,000 square feet of trade show where they were selling all types of promotional materials to raise funds for Kiwanis. The National Hockey League had a trade show selling hockey pucks, nets, Zambonis and all kinds of things.

The trade shows, which are designed to sell merchandise to a specific trade and are closed really to the general public, are now finding that to guarantee an audience for the trade shows, they are having to join with associations. We had a show recently called Medic Canada, which quite frankly did not work because it did not have enough attendance. They are trying to combine with the medical associations so they have a guaranteed audience to go to the trade show. It is really a fine line.

Public shows are those like home shows, boat shows and things of that nature. We have had a number of those, a number of new properties which have been developed because of the facility.

Our business ranges from things such as religious events and union meetings through to major conventions, trade shows and things of that nature. We get a lot of business the hotels do not want, which are meetings that have really no food and beverage but just people who want to have a meeting for four hours and do not even want coffee or they may want coffee but cannot get into the hotels.

Generally, the convention centre's main thrust is to bring business into the community, hence the public investment. As stated to the business community, we are involved with its filling hotel rooms, which is where the hotels make their money, and retail trade, transportation, restaurants and all of that.

We use a figure of \$460 as the amount of money the average delegate leaves behind in a convention. This figure comes out of research done by the International Association of Convention Bureaus. It is probably much higher than that, but at the end of this year we will know because a study is being conducted in Toronto this summer that will get a new fix on this.

The average hotel rate now in the major hotels--what is it? About \$100. Mr. Pustil is in the hotel business so that is why I am asking him. It was about \$105 that Kiwanis paid, so the figure of \$460 per delegate is probably light.

In looking at something like the Kiwanis convention with 15,000 people in the city, they estimated roughly \$10 million was brought into the community with everything they did and what they bought when they got here. This excludes air fare and what is paid at the convention centre. This is what a delegate spends on hotel rooms, food, transportation and entertainment.

The convention bureau is using a \$500 figure right now, but we want to wait until the new research is available. The average delegate stays 4.2 nights, so we work on the basis of four nights' stay for a convention. It is 1.7 nights for a trade show because of a different set of circumstances. Someone comes in and looks at merchandise, stays over night, may stay two nights and then leaves.

10:30 a.m.

The Kiwanis was a last-minute thing and came to the city because of the facility. The Kiwanis' favourite market is Toronto of all the cities they go to in North America. They like the city for a number of reasons--all the various attributes of safety, cleanliness, the dollar, entertainment, professional sports, all kinds of things.

The Kiwanis are middle American. There are not many people from big cities; they are all from small towns. They were able to get 8,000 hotel rooms over the July 1 to July 4 holiday, so they rolled in and used the facility. They were at the Maple Leaf Gardens when they were here before, but that is not air-conditioned and was a very difficult place to be in July. They had to pull out of Detroit because four hotels had closed in the Detroit area.

The centre employs about 140 full-time employees and our contractors probably have another 25 or so. In addition, there are some 500 part-time employees. The hotel probably has another 300 full-time employees and 300 or 400 part-time employees. There have been quite a number of new jobs created by the facility.

In terms of the future, business looks very good. Metropolitan Toronto is a desirable market for US conventions and for international conventions. It appears now that any fears we had of competition that would drive the business away were groundless. We have as much of a chance as any of the top 10 cities in the United States. That is fair enough because our product is better.

Our bookings are such that 30 annual shows are guaranteed. With conventions there are close to 50 pieces of business each year, which virtually fills the exhibit hall. We have been looking at the possibility of expansion, because we feel that in order to continue to compete and even to keep some of the business we have on our books right now, we are going to need more exhibit space.

I do not know how succinct that was, but it is a nutshell rundown.

Mr. Chairman: Let me go through some of the areas about which our researchers indicated we would like to have some discussion and pick up where you wound down.

Is the matter of how competitive you are, or whether you are obsolete already or too small compared to others, a major concern? You did say your American competition is in the same field with larger facilities. Is that a major concern of the convention centre yet?

Mr. Maxwell: Yes, reasonably major.

Mr. Chairman: You mentioned yesterday you had taken some initiatives to inform the people who might be considering the domed stadium that you would be able to work into that. At some periods in the winter months when the stadium facility would not be used for sports, you might be able to make use of it, if it were designed in certain ways. Could you elaborate on that for the committee?

Mr. Maxwell: Stadiums have been used previously for a number of things, for plenary sessions and for large conventions. They can be used for large religious events and for public and trade shows. Such things as very heavy machinery, which in some instances have to be displayed outside when the exhibitors would rather display them inside, but because of their very height cannot get them into the building, can get into the stadiums.

When the site for the domed stadium was being discussed, our board suggested to the group considering sites that the Canadian National site be considered because it could be used as exhibit space and for connecting to the convention centre to make it possible to take some of this business that could not come in here now.

The floor of a stadium generates about between 140,000 and 150,000 square feet of space, depending on how it is designed. The working design they have here is about 140,000 square feet of space. So that, added to what is in our building, for a period of time is an asset.

The exhibitors who are in our building in the first quarter have all expressed interest in expansion of their properties into additional space. The Canadian Toy and Decoration Fair, which is a national trade show and convention, has expressed interest, for example, in expanding beyond the use of all of our building to add that as well to what they would do. The new Metro Home Show is another one that this year is taking the entire building, and it has expressed interest in using additional space.

When you consider that it is in use from April through October, we hope through mid-October, for baseball, and then with football going through to November or early December, it really gives active use in December, which is not really a very good month in the business, and January, February, March and early

April. Since the baseball schedules are not known more than a few months in advance, one could not book a show in there and hope the that Blue Jays were not going to be there that week.

It does have a benefit and I think it becomes more cost-efficient because it can be used in those periods of the year when it is empty. It also helps them.

Mr. Chairman: At least you have begun the discussion process to make the domed stadium committee aware of what your needs might be and how you might be able to use that.

Some concern was expressed in our briefing session yesterday about the effect that the convention centre has on other existing facilities: the Canadian National Exhibition, different kinds of convention and trade show facilities that are around, like the International Centre, that kind of thing. Are you running into much of a problem in that way?

Mr. Maxwell: Initially we had a great number of problems. First, the International Centre. When I was Assistant Deputy Minister of Tourism, I used to have to answer letters every week because the owners of the International Centre were opposed to any convention centre.

We have had two major pieces of business move from the International Centre to our facility. One is the Toronto International Auto Show. They approached us in 1981 because they wanted to move downtown. This was the only city in North America where the auto shows were not down in the core of the trading area. They wanted to know whether in our designs we could get cars into every part of the building.

February, the time when they have the show, is not a convention month. I think there are 18 major conventions in North America and that is one month when we would really have a very difficult time marketing our climate to people who normally go to the southern United States. They came to us, that piece of business moved and it was, of course, a major loss to the International Centre.

The other piece of business that moved was a company called Hunter-Nickels. They have a couple of computer shows. They did not move because they disliked the International Centre; they moved because they were having serious problems with a hotel in that area that was trying to pirate some of the exhibitors from there and start another show, so they wanted to move downtown and get away from that.

10:40 a.m.

We met with the airport hotel association, which is a group which includes the airport strip hotels, down to and including the Valhalla. The International Centre is part of that group. We met with them and discussed the whole situation. We have a letter on file saying they accepted what was going on. We work closely now with the International Centre. Last week, when there was great scurrying to find space for the Tory leadership convention, we

were filled up. I phoned the International Centre and said, "Get on the case, this is coming up" so they could move.

There have been four or five things moved from the Canadian National Exhibition. The reasons for the move are, again, the proximity to the downtown core; the fact that the CNE facilities are antiquated--once you move out of the Automotive Building, you have problems; and the fact there are some bad feelings between management and the trade show and consumer show industry. I think that is fairly common. There have been letters to the editors and a lot of press about that.

I noticed the other day that Mr. Stockwell said one of the reasons that the CNE attendance would be down is because of the convention centre. I fail to see how that would have any effect on it. I do not think the lung cancer convention is going to have any effect.

Mr. Pustil: It increases attendances.

Mr. Maxwell: Mr. Pustil says it probably increased attendance.

I think the problem there is that the plant is antiquated, and the same situation has taken place in every city in North America, where there has been an old plant and a new one comes in. Some business moves. However, there have been enough new things started. In the case of the International Centre people, they replaced space that the auto show had. That is now filled up, and I believe the Hunter-Nickels move has been filled up. There are enough new properties starting with people looking for space. In fact, we had 10 or 12 major things that we could not take, new things, that have moved elsewhere.

Mr. Chairman: So there has been kind of a shuffling of the deck so to speak and things are settling into the norm.

One other area that the researchers went into, and where we want to get you on the record is the financing of the process. As I understand it, you leased the site from CN, spent about \$80 million building the centre itself. That, as we have seen in other places, is now set aside, and we are running a convention centre. How close is the centre itself to being self-financing now?

Mr. Maxwell: We hope to be profitable by the third year. Financing, again, we have \$77 million in capital funding--I always get these numbers wrong--\$23 million from the federal government and \$16.5 million from Metropolitan Toronto and the balance of \$39.5 million from the province. In addition to that, we borrowed \$13.5 million from the Ontario Development Corp. for furniture, fixtures and equipment, which we have to pay back out of operating revenues.

Mr. Chairman: You have to pay back the Ontario Development Corp.--

Mr. Maxwell: That is right.

Mr. Chairman: --as opposed to others who do not have to be paid back. It is most unfair.

Mr. Maxwell: The board felt this should be self-sufficient, and it is a business. The model we were looking at, the Georgia World Congress Center in Atlanta, has been able to make money, not a lot, but they have been able to make money and they are retiring their debt. These facilities in the US, as you know, are funded out of bonds. The Atlanta facility has been paying back their debt on that. That is really, after looking at 28 or 30 of them, the one after which we decided we would pattern ourselves. We see that is going to happen.

Mr. Chairman: In a nutshell, you hope to become self-sufficient. You have aspirations of paying back the Ontario Development Corp. Is there a snowball's chance anybody else might be repaid, or has that money just gone into construction and you do not want to look at it?

Mr. Maxwell: The way it was set up, the \$77 million was all grant money. With respect to what gets paid back, the business we now have on our books has, to use a current expression, a "street value" of about \$330 million. With respect to the total cost of the project, the figure the Treasury gives us is about 31 cents on the dollar, let us say 30 cents, that goes back into taxation. With just what is on the books, there is \$100 million coming back into the economy of the country.

Because we are not economists or employed in Treasury, it is difficult for us to figure out where all that goes but it is into taxation somewhere.

There was no plan in this facility or any of the others across the country that the capital grant would be required to be paid back.

Mr. Chairman: I guess it would not be that difficult to get specific, but you are estimating the convention centre generates somewhere around \$31 million a year in revenue for governments through taxation measures

Mr. Maxwell: With the business on the books right now, what we have booked and has run, which is over 800 events in total, the value to the community based on the numbers we have is about \$330 million.

Mr. Chairman: In addition to that, are you able to be kind of a self-sustaining operation? Do you feel you are near that point now?

Mr. Maxwell: During the first year, as in any business, we had extraordinary costs. We have had higher promotion costs and things of this nature. On an ongoing basis this is--

Mr. Pustil: It is the objective of the corporation.

Mr. Chairman: Will it happen next year?

Mr. Pustil: Within the first three years.

Mr. Maxwell: We think next year.

Mr. Chairman: There will be a gala celebration over that, I will bet.

Mr. Maxwell: There certainly will.

Mr. Chairman: Have you done anything we might look at as a benchmark for how much actual money is generated in the Metropolitan Toronto area by the convention centre?

Mr. Maxwell: No. As I mentioned, there is this previous study done by the convention bureaus.

Mr. Chairman: How do they do this, by the way?

Mr. Maxwell: They do actual surveys. For example, they are redoing it this summer and have had people in our building, the hotels and all over who actually interview the delegates to shows. It is a fairly extensive interview. It is being done by Pannell Kerr Forster. It is throughout North America but, since Toronto is one of the major cities, it has been done specifically in this one as well. Not only will you get those numbers but you can compare them to other cities in North America.

Mr. Chairman: When will that study be completed?

Mr. Maxwell: Some time this fall.

Mr. Chairman: Could we have an opportunity to see whatever information you get from them?

Mr. Maxwell: Certainly.

Mr. Chairman: With a lot of agencies such as yours, one thing the committee is interested in is that we have to make a value judgement as to whether this was a good or bad thing to do. It is often very difficult. Often, we get a number of platitudes about how this really generates a whole lot of jobs and gobs of money for everybody. However, when you ask for some yardstick as to how many jobs or how much money comes into a community because of this public investment, it is just somebody's intuition at work. It would be helpful to us, wherever we can, to get some benchmarks with some reasonable amount of validity that indicate investing \$80 million in a convention centre generates money or, at least, we do not look at a direct loss.

Mr. Maxwell: All of these famous multipliers are more creative, sometimes, than factual. We basically look at just the first line with respect to the employment that has been generated directly.

10:50 a.m.

A study was done on how much employment was generated out of the construction, and I think that is fairly reasonable, which is

the direct construction jobs plus the 60 or 70 companies that produced materials. For every piece of glass, it takes somebody. It was moving from the east end to the north end and then up to St. Catharines. There were all kinds of jobs. That is just the glass, and it was moving all over the place. However, the direct jobs we have a handle on in terms of how many people we employ. Beyond that, we do not get into the game of multipliers about who does what beyond that, because that is something that we cannot back up.

The International Association of Convention and Visitors' Bureau study, and we will find out when that will be available, is in the field now and I think the field work is just about completed, so it is just when that will be.

Mr. Warner: First, I appreciated the tour we had yesterday and your gracious hospitality. We greatly appreciated it.

There are a couple of areas I would like to mention. I would like to go back to the expansion aspect. You mentioned the one possibility of sharing some facilities with the domed stadium. Have you also given thought to the possibility of acquiring some space in the new Canadian Broadcasting Corp. building which will be immediately across the street from you folks? Have you entertained that thought at all?

Mr. Maxwell: We have entertained it. The CBC has some pretty firm convictions as to what they want to have on that site. For example, we had discussions yesterday afternoon after you people left with the CN real estate people, who tell us that there was supposed to be a hotel on the CBC site, which we would be delighted with, because it just makes the whole area more attractive, and apparently they are dropping that now for something else.

We have talked with them. We have talked with CN, of course, who own half the railway lands, and Canadian Pacific, who own the other half and CBC, as being the neighbours if you will. The CBC situation right now is in the hands of the developers that are sending in proposals. It is highly unlikely that CBC could fit something like ours into their building, because they are doing the thing in a unique fashion in that all studios are going to be on the top of this building.

Mr. Warner: I was thinking below ground.

Mr. Maxwell: No. It has so many huge pillars to hold up all of this stuff that is going to be on top that it would not be very desirable exhibit space. Then they have all the huge mechanical and electrical facilities that are going to be underneath the facility to look after all of the wires. We have talked to them. We have also talked to Marathon, the CP real estate wing, which is on the east side of the tower and immediately south of part of our building. That represents probably a better chance than going the other way.

Mr. Warner: As you explore these expansion plans, you anticipate coming back to the province for more capital money?

Mr. Maxwell: At this point, we do not know. We would like to do it on our own. It may be that these developers are such that it could be a lease situation where you could lease the property from them, but it is at such an early stage right now, because, as you know, they are not moving much. As we used to say, they are moving with glacial speed on the development of all of that.

Mr. Warner: If we could go back to the planning stage of this whole project, was there any discussion about attempting to acquire private money for the development of the centre, if not in total, at least in part?

Mr. Maxwell: It was explored back in the early days. I looked at all of the other facilities in North America, and there was not one as a convention centre. As I say, all of them, except Atlanta, lose money and some of them lose a lot of money.

Mr. Warner: But it seems fairly logical, at least to my mind, that since the major benefactors of this whole exercise are the hotels, and since there is a hotel association in Metropolitan Toronto with considerable thousands of rooms, these folks would have a direct interest in helping put up some money towards this project since they will benefit from it.

Mr. Pustil: The Ontario Congress and Trade Centre study done by Gladstone Associates showed that out of every dollar that comes in, the hotels benefit by about 30 cents. Restaurants, cabs, stores, shops and other services and facilities benefit to the tune of 70 cents. It was initially explored with the hotels back in the late 1970s or early 1980s, prior to the Ontario Congress and Trade Centre study, and nothing was done. It just died.

Mr. Maxwell: The hotel association recommended they would be delighted to contribute a dollar a room-night if the province would put on a tax that taxed hotels. So they were not actually giving up anything. It was the user who would pay.

In most cities in the United States and Canada, convention and trade facilities in addition to convention bureaus are financed through hotel taxes. We all travel and go to conventions. New Orleans has 12 per cent. Edmonton is five per cent. The Edmonton facility had been collecting five per cent on hotel rooms for four or five years before it started construction.

Mr. Warner: The last question is one that always comes up around here. The money, especially the money from the province, is put into a facility located in Metropolitan Toronto and some members will say there is no benefit to anyone beyond Metropolitan Toronto hotels, shops, whatever; this is provincial money collected from a variety of sources, from people who live in Kenora and Cornwall and so on, and that is a very unfair way to manage money. Do you have any response to that argument?

Mr. Maxwell: Again, the Ontario Congress and Trade Centre study addressed itself to what would be spent outside the Metropolitan Toronto area. A key factor here is that about 50 per cent of people coming in from the United States to conventions in

this area come by automobile and a considerable percentage--I cannot remember what it is exactly--visit other areas. We refer to this city as a gateway. It is a plane destination. It is also a gateway to other areas. A considerable amount of that goes on.

The Kiwanis convention, for example, is a family event. A good percentage of those people are staying in the province. I do not think there has been any major research done. This study being done should at least indicate how many of those are going to stay in other areas within the province.

Mr. Warner: Did the study trace the tourist dollars of these delegates who are in places outside Metro Toronto?

Mr. Maxwell: They would indicate they are going to visit Muskoka or some other area. If you look at the delegate patterns, they are coming across at Windsor, Buffalo and through Cornwall. The attendance at these major conventions is coming from a number of areas. You would not find many coming across at Fort Frances but you would find a lot of them in the areas I have mentioned.

Mr. Warner: Probably several thousand visiting Oxford county, I would imagine.

Mrs. Marland: Mr. Maxwell, I do not know your background before Ontario Place so I do not know if you were ever in the private sector. Were you?

Mr. Maxwell: I was executive vice-president of Bristol-Myers Canada Inc. and I was there for about 12 years. I came out of the private sector.

11 a.m.

Mrs. Marland: Perhaps you will understand my question very well. As a member representing Mississauga South, the Toronto International Centre is not in my riding. However, I have been on the municipal government scene there for 11 years and dealt with the centre as a large corporate entity within Mississauga.

I have some difficulty in dealing with a publicly funded facility that is in competition with a privately owned facility. I wondered whether you could comment on that. You have mentioned the shows and some of the history associated with the automotive show and the Hunter Nichols Publishing show as two examples that have come to your publicly funded facility from the International Centre. You also mentioned some of the reasons leading up to those transfers. Other shows yet to come may move or--

Mr. Maxwell: Not unless we get some cancellations, because we are booked solid. As Mr. Shenkman, one of the owners, said to me: "Now I can rest. We can fill up the two halls." We do not have room for any more, so they are home free.

Mrs. Marland: It may be that there are some in your full bookings that might otherwise have gone there. Can you help me deal with defending the public facility versus the private facility in terms of straight competition?

Mr. Maxwell: I do not think it is straight competition because that facility has little investment in it, to be very frank. If they wanted a full convention centre, they would have to build meeting-room facilities, which they do not have. They have four big rooms which are considered meeting rooms but which are not finished in the way the meeting planner wants them today.

You also have the problem, if it is looked upon as a convention centre, that it is not near anything. There are a lot of hotels there but everybody has to be bused. The meeting planner today--and there is a lot of research to back this up--wants facilities that are within walking distance of hotels so people do not have to be bused and moved around.

It is an excellent trade facility because the buildings are all old aeroplane buildings and factories that were gutted. It is a fine exhibit space and I do not think we really compete. We are not after the heavy machinery shows or the furniture shows or all the things that are basically out there. We also do not allow rock concerts. They can have rock concerts and bingo and those kinds of things, which do not fit into what we have but fit into what they have.

We have looked at the situation there and we have gone to great lengths not to compete. We did not actively sell to these people. They came to us. We set our prices so they are higher than the competition. We have a newer facility and if people want to come to it, they have to pay more money. We have a sales force but that is just good business. The fact that they do not have a sales force is bad business. If I were running that facility, I would have people out selling. They are sitting there waiting for business to come in the door.

I do not think we are in competition. The fact that two or three pieces of business came down to us is more a fact of location, of being a new facility. Originally, they complained that the Canadian Toy Fair came to us. The Canadian toy people will tell you, and we pointed this out to them, they could have gone to that facility any time they wanted to. They did not want to go there; they wanted to go downtown.

They had been in Place Bonaventure in Montreal, which is a private sector facility, but it is downtown, attached to the Bonaventure Hotel. They moved to this city because they wanted to be where the action was. They wanted to be in Ontario. They did not move until this facility was constructed. There was a feeling they should have gone to the International Centre but it is their money. They wanted to come to us and they did not want to go to the airport. That is the problem. The business we are seeking, and actively seeking, is not what goes into that building.

Mrs. Marland: As a percentage of your future fully booked schedule, could you ball-park how much of that business is convention business and how much is trade show business?

Mr. Maxwell: As I explained, it is difficult to say. It is probably 50 per cent convention business and 50 per cent for all the others such as public shows, trade shows and sporting

events. We have people now trying to put John McEnroe and somebody in for tennis. We are saying, "Why do you not take that to Maple Leaf Gardens?" They do not want to go to there. Those kinds of things would be 50 per cent. That is on a going basis.

Mrs. Marland: The final question I have gets back to the matter of expansion. I assume that because you were at Ontario Place you did not have anything to do with--I do not know when you came on stream with the convention centre.

Mr. Maxwell: I was there when it was a blank piece of paper.

Mrs. Marland: You were there before it was planned. Then you are the person to answer this. I have tremendous concern about the fact that we are here in August 1985, a mere 10 months after the opening of the facility, discussing a need for more space, knowing that while additional space is a larger capital outlay initially, it is a lot less than in future expansion plans, particularly in the case of the convention centre because, as you showed us yesterday, there is such a limitation to your existing property.

I can see the logic of relating to the domed stadium, if the domed stadium is not built in Mississauga. I realize that if you do not get a functional relationship with that project, the other alternatives are all at a discussion stage for you. I hear what you are saying very clearly about your size versus the size of competitive facilities in the United States that are doing the same business you are doing. However, why was it not designed to be the facility you are now saying it needs to be?

Mr. Maxwell: There are two reasons. A basic one is that back in 1978 a certain amount of money was set aside as a reasonable investment that was affordable by all levels of government.

I believe Metropolitan Toronto was the first to come in. It had \$13 million. It had it etched in stone and that was it, no matter what it was. The number that ran around for several weeks and months and years was \$64 million. That was going to be the number; that was it. It did not matter what would happen; that would be the number. It eventually went to \$77 million because the project got delayed for some time at the Ontario Municipal Board and by various other questions, mostly municipal things.

11:10 a.m.

The second thing is that throughout this market there have been so many dramatic changes in the last three or four years that if we are in error, everyone else is as well. The convention centre in New York was to open two years ago. They could not build what was designed and the project went from \$350 million to \$600 million. That is for a million square feet, as we discussed yesterday. They have not even opened and they are now in front of the state Legislature looking for an expansion of 500,000 square feet. The Georgia World Congress Center, which was 350,000 square feet, opened six months ago and has doubled in size. They are now

planning a further expansion because the market is growing so quickly.

What has been a way of life in the trade show business in Europe is now becoming a way of life here. The costs of sales coverage is increasing; it costs \$68 to make a sale at a trade show versus \$178 with direct sales calls and transportation. That is the number being bandied about. I do not know whether it is factual or not, but it would appear to have a dramatic effect on the growth of these shows.

For example, we had a Consumer Electronics Show recently where we had 10,000 to 12,000 people attend. In Las Vegas, that show attracts 90,000 people. They use 1.2 million square feet of space. This is for little Sony Walkmans and all of those. There are enormous displays.

Just to give you an example of the dynamics in our situation, the International Council of Shopping Centres had its trade show in the Hilton conference centre, which is 24,000 square feet. They moved to our facility and expanded to 120,000 square feet and spent \$1.5 million on building display material. The dynamics of this market are that it is expanding at such a rate. It is the trade show portion.

If you want to help Mr. Shenkman, his people ought to be looking at where this market is expanding and how their facilities should be adapted to fit all of this. There is enough business for him and for the Canadian National Exhibition and for everybody.

Mrs. Marland: I do want to help Mr. Shenkman. I also want to help you. I want to defend the Metro Toronto Convention Centre and what may be requests in the future. I want to be in a position to agree with a future program. I also want to be in a position to support an existing program. That is the reason for my questions.

I appreciate your forthrightness because your explanation is a revelation. You said that planning for this facility began in 1978. Your explanation of how there has been such a tremendous change in marketing in the last three or four years is an explanation totally of itself. As a consumer, I am attracted to that kind of opportunity to purchase. I think it is going to be a better deal, a better price. It is interesting that they are saying it costs \$68 as opposed to direct sales costs of \$180, or whatever the figures are.

Mr. Maxwell: There is another factor the futurists tell us about. With the growth in the number of people sitting glued to some kind of cathode ray tube and not talking to people, there are more and more meetings where people want to get out and meet and talk to people. They used to talk to people in the office. Now a lot of the work force is stuck behind some unit and looking at various things appearing. It is necessary to get people out and get them to communicate with others. There is a growth in that market as well.

Mr. Pustil: One example of the explosion of the trade

show business is the very successful Home Show at the CNE for the past 20 years. A second one by a new operator opened in the convention centre this year. It was very successful and he is now expanding to take the entire facility next year, his second year of operation, competing against the Home Show that is at the CNE three months later.

Mrs. Marland: That is amazing.

Mr. Pustil: The city can handle both of them. The new one is already expanding. The other one has not suffered one iota and is still expanding itself.

Mrs. Marland: That is amazing. What that does is to confirm the whole aspect of the type of marketing and sales. I appreciate your explanation.

Mr. Maxwell: Another thing that is interesting is the food business, where you now get these bigger food warehouse kinds of stores. I live out in the west, and there is one in Mississauga, as a matter of fact. It is a big Loblaws thing where we happen to shop, which drives me crazy because one has to bag one's own stuff.

Mrs. Marland: At Tomken and--

Mr. Maxwell: Yes. You can hardly get into the place.

Mrs. Marland: I appreciate your answers very much because you have certainly given me personally the arguments I needed. As I say, it is a revelation to hear the explanation.

I can also see why we are fortunate to have someone such as Mr. Maxwell in the position he is in with the Metro centre. It is certainly reassuring and a pleasure to know that.

Mr. Maxwell: Thank you very much.

Mr. Bossy: While all the bouquets are flying--and I am sure John can take them--I would like to add my appreciation, too, of his openness and completeness. The tour yesterday and also your remarks today give us a good insight into the operation of the centre.

You mentioned something I want to ask about. Concerning the surveys we are talking about that show some \$400 per delegate coming into a convention, you have figures here for the total attendance. Have you been able to determine, on the basis of the dollar return to the operation, what this reflects of the--I think \$460 is quoted here--what portion of that \$460 is invested in the convention centre?

Mr. Maxwell: The convention centre is over and above the \$460.

I will try to explain to you some of the costings in this business. For example, take these conventions that come in. Our

exhibit floor sells on what we call a show basis. Most of the conventions are three days with a two-day move-in and a day move-out, so it is six days.

It is 60 cents a square foot. Those people turn around and sell it to their exhibitors for anywhere from \$10 to \$20 a square foot, and then it moves on from there; so the 60 cents we get is the small end of it. The delegates may pay anywhere from--Kiwanis was, I think, \$90 or something for registration, which was not a very high registration compared to the lung cancer conference, which is a much higher registration cost.

Those are over and above the \$460. That is the cost to the association or the show managers or whatever the group happens to be.

11:20 a.m.

Mr. Bossy: I have a further question. Now that we hear so much about the huge complex of the railroad property being developed with a domed stadium, since you as a crown corporation are currently established within the framework of that complex, do you have an input somewhere, representation as to where you fit in on where the dome should actually be on that property with the possibilities, because I am sure this will develop some other crown corporation along the line?

With the millions of dollars--we should talk about billions more than millions--that are going to be spent there and the money the province and the federal government are going to be putting in, we are developing another crown corporation, which then should be working in concert in developing the common interest of certain facilities there.

We talked about the Canadian Broadcasting Corp. building, but I am looking at the development behind and beyond where the tower is and how it could attach to the kind of an influence you can have on that board. Have you been asked to make representations as to your future needs, as to how this could relate to what they are anticipating? There are developers who will establish that, but at the same time, you should be working together with these developers, as an established crown corporation on the property.

It is all indirectly government money. I am not opposed to the grants that have been extended. I question how much is spread out throughout the province because of that. We have to recognize the jobs it creates and the spinoffs to the hotel industry and all these other things that make Toronto a little better place to do business in. It does not do much for Chatham where I live. I guess I have made enough statements concerning the relationship and input in the other project that is so much in the news.

Mr. Maxwell: There are no formal relationships. However, we have had considerable input informally through the stadium corporation and its sister group, the private sector group, to the point of their realizing that the key to why they all want to be there is this facility. They want to be interconnected as well. We

have been consulted by their consulting architects about specifications and areas where duplication can be avoided, for example, kitchen facilities. We have a telephone system which can probably look after them.

There are a number of ways that dollars can be saved. Informally, that has been going on. We have a very good relationship with the stadium corporation, which has been in a state of flux recently. It has changed somewhat, but we have met the new chairman, Mr. Connell. He is well aware of what we want to do. We have met with their architects. We have also met with Mr. Eyton and his group about our desires and their desires.

Mr. Bossy: I have another question based on a comment you made yesterday. I believe you said that if you had 40 per cent occupancy, that should be the break-even level.

Mr. Maxwell: Based on current rates, yes.

Mr. Bossy: And you made the statement today that you cannot take any more on because you have 100 per cent bookings.

Mr. Maxwell: That is in the future.

Mr. Bossy: In the future. You have 100 per cent bookings, and this is why you can look ahead to possibly being in the black next year.

Mr. Maxwell: When I made that comment I was referring specifically to trade shows relating to the international centre. Meeting space is booked only short term, other than the major conventions. For example, if IBM were to have a meeting to discuss a new piece of machinery and have all its sales force in, that would be booked about two months ahead. When we are talking about 45 per cent, we are referring to the entire building. The easiest part to sell is the exhibit floor.

For example, in order to protect space for long-term bookings for conventions, we have a policy that we book local events only 18 months out. Beyond that, the space is held so that if the convention bureau or our own folks get a chance to get a big convention, we do not find that is blocked because somebody is holding a dance. It is held for that. The number we have now is that a 45 per cent occupancy at current rates is a break-even position.

Mr. Bossy: There is an article in this morning's Globe and Mail about Prince Edward Island where the convention centre went into receivership and now the government has bought it out for \$5 million.

Mr. Chairman: We want to thank you both for an excellent visit yesterday. We had a good chance to see the facility and to speak with a number of your people. We also thank you for coming here today and sharing your views on the convention centre with the committee.

I am going to propose to the committee we take a five-minute break. We will not need Hansard for the remainder of the morning. Then we can come back and have a little session with staff, after which we will adjourn until 2 p.m., when we meet at the front door and have a meeting at the Canadian National Exhibition at 2:30 p.m.

The committee continued in camera at 11:21 a.m.

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STANDING COMMITTEE ON PROCEDURAL AFFAIRS AND AGENCIES, BOARDS
AND COMMISSIONS

ONTARIO STOCK YARDS BOARD

TUESDAY, SEPTEMBER 3, 1985

STANDING COMMITTEE ON PROCEDURAL AFFAIRS AND AGENCIES,
BOARDS AND COMMISSIONS

CHAIRMAN: Breauth, M. J. (Oshawa NDP)
VICE-CHAIRMAN: Mancini, R. (Essex South L)
Bossy, M. L. (Chatham-Kent L)
Marland, M. (Mississauga South PC)
McCaffrey, R. B. (Armourdale PC)
McClellan, R. A. (Bellwoods NDP)
Morin, G. E., (Carleton East L)
Newman, B. (Windsor-Walkerville L)
Sterling, N. W. (Carleton-Grenville PC)
Treleaven, R. L., (Oxford PC)
Warner, D. W. (Scarborough-Ellesmere NDP)

Substitution:

McKessock, R. (Grey L) for Mr. Morin

Clerk: Forsyth, S.

Staff:

Eichmanis, J., Research Officer, Legislative Research Service

Witnesses:

From the Ontario Stock Yards Board:

Beattie, R., Member

Bradley, D., Member

Matheson, D., Chairman

McDonell, D., Secretary and General Manager

Preston, G., Member

Van Camp, M., Member

LEGISLATIVE ASSEMBLY OF ONTARIO

STANDING COMMITTEE ON PROCEDURAL AFFAIRS AND
AGENCIES, BOARDS AND COMMISSIONS

Tuesday, September 3, 1985

The committee met at 1:37 p.m. in room 228.

ONTARIO STOCK YARDS BOARD

Mr. Chairman: Appearing before the committee this afternoon are representatives of the Ontario Stock Yards Board. Mr. Matheson and any others, can you gather around the end there where the microphones can pick you up?

The committee had an opportunity this morning to visit the stockyards briefly and familiarize itself with the operation there. As is customary at the beginning of each hearing, we like to give the group that is appearing an opportunity to make any opening remarks, formal or otherwise, that they care to make. Maybe Mr. Matheson could start off. We have some background that has been done for the committee and we will go through those questions. Then any other committee members who have questions can proceed from there.

Mr. Matheson: Thank you very much, Mr. Chairman. I just want to say thanks for the opportunity to come to meet you people. Our board members are all here, but one. Mr. Morrison is not able to be with us today. If you people have questions you want to ask about our operation, just come right along with them and we will do the best we can to answer them.

Mr. Chairman: Okay. Basically, this is just an opportunity for you if you have any operational problems. There are a number of agencies that have been trying to get amendments to various pieces of legislation for years. One of our jobs is to try to pick up where the legislation itself may be a little old-fashioned or not quite workable any more. If you think of any of those kinds of things during the course of the proceedings, please let us know.

We are essentially looking at different agencies to see how well they are functioning, what their problems are, what their good sides are and what might be done to improve the situation to make sure the agency still has a function that is useful. We go through an interesting exercise where we attempt to understand just exactly how these things got set up and whether they are still doing what it was originally intended for them to do.

Ours is a kind of general review by a committee made up of members of the Legislature to test the waters with all these agencies and see what is happening and whether things are still on track or offtrack. If during the course of the afternoon there are things you want to get on the record, would like us to talk about, think about or argue about, this is your chance to do that.

I will go through some of the comments that were done by John in the research area. I guess the bigger question is to talk a little bit about what might happen in the future with the stockyards themselves. People who are aware of the existence of the stockyards know they have been there for a considerable length of time now. They appear to serve a function, but they have not changed a great deal over the years. The stockyards I saw this morning are very much like the ones my uncle saw when he brought cattle here in the 1920s and 1930s. What is the viability of the stockyard operation itself?

Mr. Matheson: Perhaps I might say that it has changed considerably since then. I guess the biggest change was in the early 1960s, when we went from private treaty on the yards to public auction. That is one of the greater changes that has been made. Other things have been done to help save labour and make it more viable, but changing from private treaty to auction is perhaps one of the biggest.

Special sales have been instigated. We have now for some years had a special sale every Friday where cattle are sold in larger numbers. There is no opportunity to pass the cattle; they are all sold as they go into the ring, but in numbers of not fewer than five. We now have a special stocker sale and have had for several years. It is held on Thursday and it starts usually in the afternoon early in the fall. Maybe it starts before noon and runs on until the cattle are all sold. It sometimes goes until 10 o'clock at night. Now we have a special sale on Tuesday, part of which you witnessed this morning.

Those are a few of the changes. We have also put in some automatic gates. We have moved the calf barn from what is now a parking lot up to the north end, where we were this morning. Calves were sold by Dutch auction for quite a few years, but in the last two or three years they have referred it back to the live auctioneer.

Those are a few of the changes that I think of. I am sure the rest of the people may think of some other things.

Mr. Chairman: This morning we were discussing some of the difficulties that are in the field, such as plants buying directly and other sales barns. I was surprised to learn that there was no real connection. There is some working knowledge of what is going on at these other sales outlets, but there is no formal mechanism, no reporting mechanism, no accounting mechanism.

Does that not pose a bit of a problem for you? For example, if I were a cattleman in eastern Ontario I do not think I would truck my cattle all the way to Toronto if I could go to Lindsay or somewhere else and sell them there. In the long run does that kind of process work against your operation?

Mr. Matheson: I guess we do not criticize it because it is an open, competitive market and that is what we believe in. They are doing the same as we are and they are serving the people in their area who may not choose to truck as far as they may come.

But there are some people in those areas who still believe Toronto may provide a better price for them and they are willing to pay the difference.

Indeed, trucking is not as big an item as one might think. With the large trucks today, the price for the distance is not as great as you might think. It has a bearing, but--

Mr. Chairman: When the rest of you want to make a comment, would you just identify yourselves because the Hansard people have to pick it up and put your name down.

Mr. Beattie: My name is Ross Beattie. I think the real importance of the Ontario stockyards is that no matter whether they are in far eastern Ontario or in western Ontario, the trade is based on the trade at the Ontario stockyards for the preceding day or two days or three. Whatever place in the week they might be when the local sale is held, you will hear them say, "Compared to Toronto, these cattle could be a little bit higher," or "Compared to Toronto, these cattle are bringing all they are worth."

There is that item of a price-setting market where people, both buyers and sellers, look for the Ontario stockyards or the terminal market to set the price.

Mr. Chairman: What about the private sales stuff? If that trend enlarges and any of the large packing companies decides it will not buy from the stockyards any more but will purchase directly, what happens to the stockyard's operation then?

Mr. Beattie: A good deal of research done, especially in the United States, points out that if sales are located too closely together, there is a weakening in the price received. We feel there is not only too much dividing up of the numbers but also too much weakening of the price if sales are located too close together.

Mr. Chairman: In the future, is that liable to become a big problem?

Mr. Beattie: Personally, I would not see that as a problem. The economics of running a sale and acquiring buildings and so on will determine how many sales.

Mr. Chairman: As far as the board is concerned, the viability of the stockyard and the work of the board is pretty much in place for the foreseeable future without much change happening.

Mr. Matheson: Yes, I guess we might say that. As long as I can remember, there have been rumours that the yards would move out into the country some time. I am sure you have all heard that. We have talked about it, but when you take a look at it, to find a place to go in the first place is hard. Where I lived, you could not get a gravel pit in there without a good many days of hearings.

When we talked about building stockyards there, people did not want it. They would say, "If we are going to have a stockyard, the packing plant will come there. The local municipalities would not look forward to having it come. That is within a reasonable area of Toronto. If we go beyond that, then we are far away from where the consumption is and where the packing plants are. Because of the number of packing plants right in the area where we are situated, as long as they are there, we feel that is the best place for it to be.

Mr. Chairman: Doug, do you want to make a comment?

Mr. McDonell: You had made reference to what it would do to the viability if expenses continue or grow quite substantially. That is an area where probably our greatest concern is. We know the packing industry is relatively strong around us and it is good competition and so on, but if, for whatever reason, the competitive system cannot attract the livestock to it in our case particularly, then we have rather expensive overhead and operating costs that we are very concerned about.

This morning in the conversations we had we talked about the competitiveness of the total beef market. When we make reference to that, we are even going beyond our own situation and taking a look at the whole livestock industry, particularly the beef industry, and we are very concerned about what is happening to competitiveness in the livestock industry.

If any of you have an opportunity to travel in cattlemen's circles in western Canada, you will find they are envious of the market we have now. We are concerned about it because it is not as good as we would like to see. If we ever find ourselves in the position that they are in western Canada where there are about three buyers and they are not even too competitive with each other from the standpoint of bidding directly, then we have a big concern for the industry in Ontario beyond our own viability.

Mr. Chairman: What about the decline of revenues? Is that a trend that is liable to continue?

Mr. McDonell: I am sorry.

Mr. Chairman: Your decline in revenues.

1:50 p.m.

Mr. McDonell: It will probably continue somewhat or level off. Therefore, it is incumbent upon us, the board and management, to try to bring our costs into line. We are working at it, but it is a slow process, as you can well realize.

Mr. Chairman: Is any kind of plan being developed? For example, if the packing plants decided it would be too expensive for them to operate in Toronto and they moved out, as one already has, or if the Minister of the Environment or a group of municipal politicians said it was crazy to have a stockyard in the middle of

a big city, have you given any thought to what you might do in those events? Is there any plan B for the stockyards?

Mr. McDonell: No.

Mr. Chairman: If the packing plants unilaterally decided to move, that would have a serious impact on you. I take it the board has not discussed what it might do in response to that.

Mr. Preston: The dollar cost of relocating probably could be taken care of if the government saw fit to relocate. The real estate the stockyards now sit on is quite valuable. However, the far bigger problem of relocation that the chairman mentioned is the environmental or concerned citizens groups that would demand public hearings. It would take a long time to go through the hearing process. That would be the difficult part in finding a new location for the stockyards.

Mr. Chairman: Are you aware of any plans or discussions within the Ministry of Agriculture and Food for any such contingency?

Mr. Preston: You will remember a report was done for the previous government, which stated that all aspects of the livestock industry preferred the stockyards to remain where they are, and the writers of the report indicated that for the foreseeable future the stockyards would remain there. The Premier made a public commitment to that, but conditions change.

Mr. Chairman: From the board's point of view, you are where you are for as long as anybody can tell.

Mr. Matheson: As long as the packing plant is there. If we move out, we become another community sale. If we stay there, it is handier for them. Last week, I talked to a packer who said: "I hope the stockyards always stay there. They are just like having a garden in my backyard. I can go there and get my requirements without having to travel the country." He was sincere. He buys 90 per cent of his cattle on our market.

Mr. Beattie: It also ties in with the trucking industry. Almost all the trucks that come into the yards with livestock take something back to the country. This is where the supplies are in the main. For that reason, it will continue to draw people in this direction.

Mr. Warner: I want to get back to the question about the packers and the impact they are having on the stockyards. I am trying to determine from what you have told us today whether or not the packers are posing a serious problem to the long-term viability of the stockyards. Are they simply an irritant? Are they a temporary problem, which fluctuates from time to time? How serious is the problem? If it is a serious problem, if it is more than just an irritant and may eventually cause a financial problem for the stockyards, is there a solution?

This morning we talked a little about there being a solution. If all the producers came to the stockyards and none dealt directly with the packers, then that would be the solution. That would come about through one of two ways, voluntarily or not voluntarily. "Not voluntarily" always suggests legislation. That is a tough question, and it is a very difficult route to take.

I want to come back and see if any of you gentlemen, or all of you, could give me some idea as to the dimension of this problem. Is it an irritant or is it really serious?

Mr. Matheson: It is both, and I guess it has been more serious in the past two months than it had been before. Maybe I mentioned this morning that the tougher the market is, the more people tend to look for some means of saving a few dollars. Over the years it has been the trend that when the prices are climbing, they tend to come to the market because they think, "By God, the market might be better today and I likely would be better off," and they pay the extra fees and feel they are well paid for.

However, when the going gets tough, one thing that has been able to keep farmers alive is that they are able to cut down on their costs and they do without. This is one means: "I have 20 steers to take out. I can save the cost of the commission and the yard and I will try. I do not like doing it, but I will try."

I have heard many producers saying, "We just hope those yards never close; we believe they are a real need for the producers." However, at the same time, they like the other people to use them instead of themselves. That is a little problem we are faced with.

Mr. McKessock: Could I have a supplementary on that? Besides what you mentioned, that the producer might want to save a few dollars by selling direct to the packers on a down trend or in a stable market, might he not also feel that he knows what the price is and, if the packers can offer him half a cent or a cent more, he is not going to get it on the market?

Mr. Matheson: I will let Ross answer that.

Mr. Beattie: First, I had better tell you the way the system works--and I do not mean the Ontario stockyard system--is that the packers are situated in business to buy cattle as cheaply as they can buy them. How do they go about it? They get somebody in every community--we call them the \$2 or \$3 men, and maybe there are some \$5 men--

Mr. McDonell: They are all \$5 today.

Mr. Beattie: They are all \$5 today? Okay. They are respected people in the community who are part politician and part cattleman; so they can talk their neighbours into anything. Such a person goes in and talks John Jones into selling his cattle to the person's packer, and he gets \$5. John Jones does not realize the person gets \$5 a head, not \$5 a load. Another packer has another person doing the same on the next concession and so on.

What we are saying is that this is the way the system works.

If they siphon off too many cattle away from the auction or the competitive system, you weaken or lower the price-setting mechanism; that is what is happening today, for the reasons Don just told you.

Mr. Warner: It is a serious problem and you can see that down the road this is going to erode not only your market but also the other markets to the point that maybe they cannot survive. One answer to this, it seems to me, is to say that all cattle must go through an open market. What happens if we do that?

Mr. Beattie: I do not know what happens, but I know what it is. That should be done, but for a different reason from the one you mentioned: not to save the Ontario stockyards or any particular sale, but to save the Ontario market, the price-setting mechanism of Ontario, so we have a fairly high percentage of the better cattle going through a competitive system. That is why it is important.

2 p.m.

Mr. Warner: Would you argue that if you had that system, it would protect both the producer and the consumer, pricewise?

Mr. Beattie: Yes, it would--

Mr. Warner: Does it provide a stable condition for the consumer?

Mr. Beattie: --in between the American price, which is our floor, and our ceiling. We would be getting the right price, so to speak.

Mr. Warner: What about the producer?

Mr. Beattie: The fellow who says, "I will go direct because I am going to save a few dollars a load," and he is already losing \$100 a steer, it is going to put him there, and he is going to get it back in price instead of saving it in cost.

Mr. Warner: So in the long run, the producer benefits?

Mr. Beattie: Certainly. If he did not benefit, we should not have stockyards.

Mr. Warner: Okay.

Mr. Bossy: I am looking at the financial statements of the board and first, to follow up some of the things that have been said, I am looking at your yardage and commission charges. How do they compare with those of yards outside Toronto? Do you sort of compete with those people?

Mr. McDonell: We do.

Mr. Bossy: So they have a list such as yours here? I find it hard to determine here, where it says charges for a single cow are \$355, and then, "two to 11, \$355" each. If it were one to 20 at \$355, would that not be the same?

Mr. McDonell: We tried to compare that to the commission charges down below. If you notice, the commission charges are grouped two to 11, 11 to 20 and 21 or more. We lined those up so that if someone is taking a look at how many cattle are selling at one time, they can simply add the commission charges and the yardage charges together to know their total costs.

The community sales do not have to publish their rates. Most of them publish them at their place of business, but they do not, by legislation, have to publish their rates.

Mr. Bossy: They do not have to?

Mr. McDonell: No. But we do.

Mr. Bossy: Are you on a competitive basis with the community sales?

Mr. McDonell: We are.

Mr. Bossy: So this would not discourage someone from bringing his cattle here for sale instead of to community sales?

Mr. McDonell: No.

Mr. Bossy: I notice there is a deficit--or whatever it is--of \$71,243. We are looking at the statement for 1984. Then, looking to the assets, are we operating on the appreciated values of the properties, to try to come up with a balanced statement that looks reasonable? If it were not for the appreciation of the properties themselves, would we see a much worse statement than what we see here, because the revenues and expenditures are down?

Mr. McDonell: Asset values are listed in the financial statement. The land values are based on the acquisition costs in 1944, and all the other assets are based on acquisition costs at the time they were purchased.

Mr. Bossy: How much of the property, if any, has been sold?

Mr. McDonell: I cannot answer that in total.

Mr. Matheson: There has been considerable sold--

Mr. McDonell: Small parcels, though. I do not know how much has been sold.

Mr. Matheson: The beef terminal at the back was sold to them, and they built a plant to serve three packers. They have one killing floor and their own chill rooms. They bought that land from the yards. When people want to buy property and we have property for sale, we have tried to have it go to somebody who is going to use it for the packing industry, because it would be an asset to us.

Mr. Bossy: Do you anticipate, because of the drastic reduction in use of the stockyards as such, the board may consider selling off more properties?

Mr. Matheson: Yes. We consider that quite often. In fact, we are talking about it right now. I believe there is an advertisement out now, is there not, Doug?

Mr. McDonell: Yes.

Mr. Matheson: It is for some small parcels across the road from the main office. We are offering it for tender for sale subject, of course, to the minister. It is not used for stockyard purposes, and it is one means we thought might help our financial situation.

Mr. Bossy: It has been stated here that a tremendous amount of legal work would be required to relocate. If the stockyards could be relocated, would it not be more economical all around to operate at a different location from the one where you are currently operating?

Mr. Preston: The labour costs would likely be lower, and that is an advantage the outside community sales have. They have nonunion help, and perhaps most of their help is hired one or two days a week, as needed for sales. They get part-time help. We have largely full-time help; they are unionized and our labour costs are about half the costs of operating the yards, if I remember correctly.

Mr. Beattie: We give service 24 hours a day, seven days a week.

Mr. Bossy: I would be interested in knowing some of these things, being new here too. It is called the Stock Yards Act, and there is only one stockyard that comes under the Stock Yards Act as I read it.

Mr. Preston: In Ontario.

Mr. Bossy: In Ontario; so the act was actually established strictly for the Toronto stockyards.

Mr. Matheson: For these yards, yes.

2:10 p.m.

Mr. Beattie: Just to explain further, that financial statement has very little to do with the appreciation of the land values at the yards; it is strictly on income and expenditures. The fact of the matter is that the numbers of cattle coming through the yards have dropped. We are working on a volume basis, at so much per head, so the revenue received is down, and we are facing a situation where it is very difficult to make ends meet.

Going back four or five years ago, and it was referred to here by Grant, when the last administration satisfied itself that the yards would stay there, we felt we had to go ahead with some capital expenditures and repairs to fix things that had more or less been let go over the years. We laid out a plan and carried out all the green and white material you see there. The dormers were taken out and faced with steel, the curtains were put up and

so on. There has been a crew working there for maybe two and a half years. This all came out of revenue or small packages of land that were sold over the years. It is only recently that we have had to discontinue those capital expenditures and repairs, and we have cut staff almost as fine as it is possible to cut them and have done many things to cut our expenses.

We did not receive any grants; we did not receive any help from anybody and we are having the same problems many other businesses are having today, mostly related to the bad experience everybody else is having in the livestock business. We sometimes think we should have had some help with the capital expenditures. That would be very nice, but we have not had any to this point.

Mr. Bossy: Looking at these expenditures, we see the item for office of administration, which declined by more than \$30,000. In view of the fact that there has been declining use of the facilities now, this has increased. In other words, even though it has not been utilized as much, all the same personnel are still working there. How many people were working there in 1984, compared with 1983?

Mr. McDonell: We are down 10 from where we were a year ago.

Mr. Bossy: I am looking at June 1984. That is the only financial statement I have. We do not have your financial statement for--

Mr. McDonell: Not the audited statement. In 1983, we had 63 employees receiving cheques during the month of June; in June 1984 we had 57, and since that time there have been two permanent severances and four more employees are on layoff.

Mr. Bossy: How much would the yardage revenue have declined from this statement as compared to the one you will be coming out with, which will be June 1985?

Mr. McDonell: It will be about \$200,000.

Mr. Bossy: That is lower than the previous year?

Mr. McDonell: Yes, \$180,000.

Mr. Bossy: How long has this decline been taking place? You say it is \$200,000; year over year, we see it is approximately \$100,000 in 1983-84. How long has the yardage decline been taking place? You mentioned five years.

Mr. Preston: Four to five years.

Mr. Bossy: So you do not know where you are heading with the thing? The overhead stays there regardless of the utilization of the yards?

Mr. Matheson: Yes.

Mr. Beattie: Every time we have a union settlement we

cannot retrieve it by increasing the commissions or the yardage fee.

Mr. Matheson: Down through the years we have increased them every year or every two years, as the case may be, but now we feel we are up to where we cannot go any higher and still compete with the community sales and the direct shippers. That is the situation in which we find ourselves.

Mr. Bossy: Thank you. Maybe somebody else will follow up on some of this.

Mr. McKessock: I think you mentioned that volume was the problem; you did not have enough money. What are the reasons for the lack of volume? Does it relate to what we were talking about earlier, people shipping direct to packers? Has that changed?

Mr. Beattie: The total numbers going to market have declined, but we have not maintained our percentage of the market in the past two years. You always find that when things are tough, if a farmer is not making any money or if he is losing money, he tends to go direct; any way to save a little money. That has happened.

If we had a strong market, if the market jumps ahead of the dressed price, then we would get the numbers back. It is a combination of two things: not getting our percentage of the cattle and our costs going on, not just at a steady rate but at an accelerated rate.

Mr. McKessock: What percentage of the cattle shipped would go directly to the packer?

Mr. Matheson: In my case, 100 per cent. That has been for many years--

Interjection.

Mr. Matheson: I am sorry. I do not send any to the packers. No.

Mr. Beattie: One hundred per cent to the yards.

Mr. McKessock: How long have you two fellows been on the Ontario Stock Yards Board?

Mr. Matheson: I have been there since 1960.

Mr. Beattie: That is the year I was born. Since 1972.

Mr. McKessock: Prior to that, what percentage of your cattle was sold directly to the packers?

Mr. Matheson: It was 100 per cent. I sold one or two loads during the first years of farming. I was like everybody else; you like to try the water. I sold one load on the rail-rate basis. The market was tough, and I was like everybody else; I wanted to see what happened.

They were heavy cattle. It was summer and heavy cattle were not in great demand, so we put them on the rail. I starved them out more at home. In those days, you did not sell them as empty as you do now. Then, if they were to go on the rail, it would not matter, and I had to shut them in longer before we shipped them. When the returns came back, it came to about the same price I would have got for them at live weight on the market. But I had shrunk 30 pounds apiece out of them, more than I would have if I had shipped them to the market. I had a feeling it was based on those bases, that they did not know what I had done.

I had another experience. I sent them live and there was so much fooling around before the weighing. They were supposed to be weighed right away. When we got there, we had to wait for the guy to come to weigh them. The cattle were standing there shrinking out, and I thought, "That is enough of that." That ended it.

Since 1942, since I have been selling cattle, they have all gone to the market. We used to sell 800 or 900 lambs throughout the winter the same way. I have tried other ways, but I was always convinced I would get the best returns from them when I took them to the market where the most buyers were sitting. They were in front of the scales. That is why I have used them.

Mr. McKessock: I can see you people are very dedicated to the idea they should all go directly to the market. I am, too. What would it take to convince all the other farmers that this should happen?

Mr. Beattie: The most trouble will be with the \$5 connection, with people getting that kind of revenue off cattle going direct. They are not going to give up easily.

Mr. McKessock: So it is not the farmer.

Mr. Beattie: The farmers they represent will fight for them too, I suppose. It will be the same as what happened in the hog squabble. In a hotel in Toronto is one of the biggest hog collectors going direct. When the hog thing changed, he was losing thousands of dollars a year in under-the-table payments. Just so much a hog, it was all the hogs he was trucking. These fellows will not give up easily.

Mr. Chairman: What is the status of what you call \$2 people or \$5 people? You say the farm community probably does not know these people work for the packing industry?

Mr. Beattie: They work quietly.

Mr. Chairman: Are they licensed, identified, or whatever?

Mr. McDonell: They may or may not be.

Mr. Chairman: What are they licensed as? Agents?

Mr. McDonell: They will be licensed as dealers in Ontario if they are taking ownership of the cattle. If they are acting as agents of a plant, they are not necessarily licensed.

2:20 p.m.

Mr. Chairman: So we have a public investment in a stockyard that in many ways is being thwarted by unidentified secret servants.

Mr. McDonell: They are not unidentified to us in the business.

Mr. Chairman: You know who they are.

Mr. Beattie: They are good farmers, in the main.

Mr. McKessock: You are saying some of the farmers are doing this for Canada Packers.

Mr. McDonell: Or truckers.

Mr. Bossy: Could they be regarded as drovers?

Mr. Beattie: No.

Mr. McDonell: In a lot of cases they do not take ownership of the cattle.

Mr. McKessock: Would there not be a lot of cases in which they would not be getting \$5 a head, either? If they went into Ross Beattie's yard and were going to take out 100 steers--

Mr. Beattie: If they got 100 steers in our yard, there would be lots of packers who would give \$10 a head to get one load.

Mr. Matheson: And they would earn their \$10 to get them from Ross.

Mr. McKessock: I was thinking you would negotiate--

Mr. Beattie: No. The farmer does not pay them.

Mr. McKessock: --to get an extra cent a pound rather than have somebody get \$5 or \$10 a head, and they would probably throw it off because of getting that many cattle.

Mr. Beattie: The packer pays them so much a head for every head delivered. Sometimes it is involved in the trucking.

Mr. McKessock: You are saying they do not have a chance to throw it off to the dealer.

Mr. Beattie: People who run a sale one day a week, for example, have a few days free. They put these cattle out, they know where they are and they drove them back. It is not simple, I guess. You could do it. The Kofmans, the Chambers and the Mosses have done it. We could have done it all our lives.

Mr. McKessock: I see what you are saying now, because the agent cannot say: "Okay, I get \$5. Since you are giving me 100 steers, I will take only \$1 a head." You cannot do that, because

his cheque is coming directly from the packer.

Mr. Beattie: He might throw a little off the trucking or something.

Mr. McKessock: It is the same as the machinery dealer saying, "I am going to sell you this tractor at cost," or for \$200 below cost. When you ask, "How can you do that?" he says, "I get a kickback from the government," or something the same.

Mr. Beattie: It works very smoothly, and every week they go out. You know what it costs to drive from here to Chatham, for example. A packer does not drive from here to Chatham. He has his man right down there and he goes around the roads and lines up the cattle.

Mr. McKessock: That is a point for somebody who says he could throw something off the trucking. He could do that.

Mr. Chairman: Are these people regulated, in any sense of the word? Are they bonded, licensed or regulated by anybody?

Mr. McDonell: If they are taking ownership of the cattle, they have to be licensed and show financial responsibility under the financial protection program the Ministry of Agriculture and Food runs. If they are not taking ownership--in other words, if they are simply acting as agents for a plant--they as individuals will not be licensed or bonded; however, the plant for which they are buying would have to be.

Mr. Chairman: How many would be licensed in that way?

Mr. McDonell: Probably more than half would be, in that they are taking ownership and dealing in livestock.

Mr. Chairman: This is rather a curious phenomenon. The words that have been used to describe this are, "under the table" and "kickback."

Mr. Treleaven: That is not very unusual. If you were buying and selling horses in past days, that was not at all unusual. It is quite the normal thing.

Mr. Beattie: We throw in the shoes.

Mr. McDonell: I guess in general the producers who are selling cattle to these people do not realize those fellows are getting paid by the plant.

Mr. Chairman: They do not know that.

Mr. Beattie: They hope they are not.

Mr. McDonell: They do not recognize that they are.

Mr. Beattie: Remember another thing it is tied to. Possibly the same person brings those calves from the west. They buy them from the west. The farmer is busy in the fall with his

corn or what have you, and he wants six loads of cattle. This same fellow goes west and orders the six loads of cattle. He puts them in there. Maybe the farmer cannot pay for them all on the day they go in; maybe he cannot pay for them for six months. So there is a little bit of an obligation there. I am not saying who does it or who does not. What I am saying is that those are the facts. Those are the reasons it is done. It is done for many and varied reasons.

Mr. Chairman: But you are saying it is not sinful.

Mr. Beattie: No, it really is not sinful. It takes a lot of the fun out of it.

Mr. Chairman: It is just a recognized practice in the industry.

Mr. Beattie: Yes, it happens. The big harm it does, other than a couple of bad experiences we have had, is that it takes the fat cattle away from the central market and the price-setting mechanism.

Mr. Chairman: That is a substantial piece of harm there.

Mr. McKessock: It is harmful if some people call it the free enterprise system.

Mr. Chairman: It is creeping capitalism at its worst. I am intrigued by this. Who are they, and how do they get in place in communities?

Mr. Beattie: A moment ago I mentioned three or four of the better farmers by name. There are sales barn operators who run a good sale, but have three or four days free. When our boys came along and they thought we had some free time, we were offered the same status if we wanted to take it. They asked us if we would buy cattle for them.

Mr. Chairman: This is by a packing company?

Mr. Beattie: Yes, that is right.

Mr. Sterling: Do other jurisdictions, provinces, states, have a similar setup to the Ontario stockyards?

Mr. McDonell: Not in Canada that I am aware of, but in the west.

Mr. Sterling: Okay, in the west.

Mr. McDonell: Are you talking of owned by government?

Mr. Sterling: Owned by government or similar to the setup that you have.

Mr. McDonell: Yes and no. Yes, there are markets that are set up as we are, but they are not owned by government.

Mr. Sterling: Would they not face the same problems in

trying to achieve a high market price for farmers? Would they not be facing the same or similar problems as you are?

Mr. McDonell: Yes,

Mr. Sterling: What resolution are they applying to their problems?

Mr. McDonell: In some cases they have given up on the slaughter cattle business. This happened with them quite a number of years ago. That is why we mentioned this morning that in the west the people are very envious of our market, because they do not have a particularly competitive market in western Canada.

What they have done to maintain their viability is to increase their fees. Fees in western Canada, to sell through an auction, will be a lot higher than they are here in Ontario.

Mr. Sterling: What about in the United States? When you are in direct competition with some of the states, I imagine the ones that are close to the border would be of the greatest influence on your market. How are the prices set in New York state?

Mr. McDonell: For slaughtered cattle in New York state it would be Midwest minus freight. There is not an awful lot of competitive markets for slaughtered cattle in the United States. The big ones are in the Midwest. Markets such as the border markets in Michigan and New York are really not competitors of ours, because the cattle we are competing for will not go over there to be sold. Our plants will go over there, perhaps, and buy--

Mr. Sterling: That is what I mean.

Mr. McDonell: --and bring them in to the Ontario plants.

2:30 p.m.

Mr. Sterling: Can you buy cheaper in New York than you can in Ontario now?

Mr. McDonell: It depends on the day, exchange rates, transportation and American market versus Canadian market. You cannot make a general statement. It may work today and it may not work tomorrow. When it does work, the plants will be there; when it does not work, they will not be; or some of our fellows over here will be shipping cattle to the United States.

Mr. Sterling: But it is pretty close.

Mr. McDonell: Yes.

Mr. Sterling: In other words, if there were no Ontario stockyard, the price would be established basically by whatever pulls were going across the border.

Mr. McDonell: Within a range of import and export prices, and that would all depend on exchange rates, transportation tariffs and what have you.

Mr. Sterling: Does that not blow your argument out of the water as to the usefulness of the Ontario stockyard?

Mr. McDonell: No, I do not think so, because when you take a look at the role we play, somebody has to set the market here.

Mr. Sterling: Yes, but are they not setting it?

Mr. McDonell: Within a point they are, within a range.

Mr. Beattie: That range could be \$6.

Mr. McDonell: That is right.

Mr. Matheson: But not the fine figure.

Mrs. Marland: This morning we talked about the types of trading that go on in the province in regard to selling to producers, whether it is hogs or milk and eggs. I wondered if, as we are being recorded this afternoon, you could again compare selling hogs and the way they are traded and sold by the producers to your responsibility and what we are discussing with respect to cattle and sheep, because obviously one is working. As I understand it, the market of the producer of hogs is working for him fairly successfully. Am I correct?

Mr. McDonell: Most pork producers would say the market is working. I am not sure they are particularly happy with the price right now but that is not saying the market is not working.

Mrs. Marland: Is it a better market scene than the beef producers?

Mr. McDonell: I will explain how it works. Whether it is better or not, some people would have questions. It has the competitive aspect to it that we like to see.

Within the hog area, the Ontario Pork Producers Marketing Board is given the responsibility of acting as a sales agent for all hogs in the province. They operate assembly yards and producers will assign their hogs and the board will actually do the selling for them, so it is the sole selling agency. The hogs are sold on a carcass basis, that is, hung up on the rail, and that is how the bidding is done and they are sold on a teletype machine established about 20 years ago.

There are two reasons that hogs can be sold that way relatively easily. First, they are a relatively homogeneous product going to market and they have developed a grading system that recognizes credibility of the carcass. If someone is producing a hog with more meat in the carcass, the producer is paid for it.

The other unique thing about the hog is that you can follow identification very easily from the farm to the packing plant. As was mentioned this morning, they are tattooed on the shoulder with ink at the farm or as they are going on to the truck. Because of

the type of beast, it can go through the slaughter process and the skin does not come off; the tattoo stays on the hog. When you go into a cooler, you can read the tattoo on that hog so you can follow it right from farm to plant.

On the other side, when you get into the beef area, there is not a lot of homogeneity in beef cattle coming to market. That is not saying there are not a lot of similarities, but there are an awful lot of differences as well in the weight and quality of cattle coming to market.

Second, identification becomes a major problem. Because of the type of animal, the hide disappears in the slaughtering process. It goes this way and the carcass goes the other way. You can put paint on, tattoo them, brand them, or whatever you want, but the mark disappears with the hide and you cannot get underneath the hide to put on something permanent. It causes a bruise if you try to slip something underneath, or the health people look at it and say a foreign product is coming into the meat.

Mrs. Marland: On that point, why can you not tag the ears?

Mr. McDonell: Because the ears disappear as well. We have gone through all kinds of trials on this, trying to sell cattle that way. Sure, we can put a tag on its ear; we can put a tag on its back; we can tie a string on its tail. You can do anything you want, but when you get the animal into the plant you are dependent on somebody to take that physical piece of material, be it plastic or whatever it is, and transfer that to the hide.

First, you are depending on somebody who does not give a damn. He is not concerned about who owns the animal. Next, you are taking a piece of material--plastic, paper, cardboard, whatever it is--that is dirty and has to be put into a plastic bag and put on the carcass, because the health people are concerned about that, and naturally so.

Trying to follow that identification all the way through becomes a real problem. There are all kinds of trials going on right now, to use in the ears sensors or implants that can be read electronically, but nothing that is really satisfactory has come along yet.

On the one side, we have pork, which is a relatively homogeneous product with a grading system we can work for. On the other side, we have a lot of variables. The thing we would like to see--we were talking a bit about it this morning--is all the competition in the beef market that we have in the hog market. Before my time in the livestock industry, it used to be that hogs were traded more or less directly to plant. I guess it got to the point where there was so much under-the-table money to attract hogs to a plant, that the market was in a real chaos.

I am sure some of your people here were familiar with that and were well aware of what was happening at that time. The pork

producers then took the opportunity to come along and act as the selling agents, so they got competition in the marketplace.

Mrs. Marland: Do you see the beef producers, as an industry, getting to the same degree of chaos as the pork producers, which drove them to agreeing to the unilateral system of marketing they now have?

Mr. McDonell: From what I have been told of what was happening within the hog industry at that time, I do not think we have got to that point yet, but we are on our way.

Mrs. Marland: That is why I asked. From some of the comments made this morning, I would think your situation is grave. It is grave with regard to the operation of the stockyard, but it also is grave for the producer himself. Where the market is being undermined by the direct purchase by the plant, by the packer, there has to be an equitable solution for the market or the producers as a whole. The situation that is evolving sounds very unfair. Obviously, you are greatly concerned, because you see the situation is worsening. It would be great if we could come to some kind of recommendation to remedy that.

2:40 p.m.

Mr. Beattie: May I say something here? When you think of beef producers and beef production, you often think of trailerloads or large truckloads of cattle. Those of you who were at the yards this morning perhaps saw just the finish up of the smaller lots and then some larger lots. By and large, if anything was to happen to the Ontario stockyards, the greatest losers would be that great number of smaller producers across the country.

You can sell 25 steers or 50 steers direct to the packers on a yield basis or to the \$5 men, but if you have two good steers, one good and one bad heifer, a plain cow, a calf or two, where do you have to go? You have to go someplace where there is a facility and where there is knowledge to sort those cattle and present them to their respective or individual buyers who are going to buy them.

This is something that we often miss when we talk about the terminal market. Some people think the great loads of cattle set the market and so on, but we do a greater service, by and large, and that is backed up. Our average lot weight per day is fairly small because we are servicing those people with the not-so-uniform cattle, the smaller producers.

Mrs. Marland: Is there an organization or association that is representative of the producers in the province?

Mr. Beattie: The Ontario Cattlemen's Association.

Mrs. Marland: How many people sit on that association? I do not want to know what the membership is, but do they have an executive board of directors?

Mr. McDonell: They have a directorship of one person from each county, and their executive board is probably around 10 or 12 perhaps.

Mrs. Marland: How often does your board meet with the cattlemen's board?

Mr. McDonell: We do not have a formal structure to meet with them. I suppose we probably meet with them about once every two years.

Mrs. Marland: Is that board elected by their membership?

Mr. McDonell: Yes.

Mrs. Marland: So would they not be wanting to come to you to discuss this problem if they are representing all of their producers, in fairness to all of their producers? Or are they just representative of their major producers? By the fact you are all laughing--

Mr. Preston: You are getting right to the heart of the matter.

Mr. Beattie: I am a past president, but right now, if you want the facts laid on the table, it is the larger producer that controls the Ontario Cattlemen's Association. They have a cow-calf section and many of the directors are cow-calf people, but for some reason it has been the larger feedlot person that took control.

Mrs. Marland: That is what I thought you were going to answer, and that leads to the next question. If you do not want to answer the question, I can understand, and we can draw our own conclusions. There is not anyone really looking out for the average to small producer, if the board is made up of the large producers, and I assume--maybe this is all rhetorical--that the major producers are more likely the ones that are selling direct to the packers. Is that correct?

Mr. Beattie: Yes.

Mrs. Marland: So perhaps your board might be the only one that is looking out to retain a system of selling for the smaller producer in the province?

Mr. Beattie: Yes. I think probably we do that by accident. I mentioned the commission firms this morning. United Co-operatives of Onatrio, the largest commission firm on the yards, has certainly had a history of community involvement and smaller producer involvement across the country. They had the old original shippers that shipped in by rail and so on.

Generally speaking, the commission people have felt it very necessary to keep in touch with not only the larger producer but also the smaller producer. I do not want to leave the impression that every director on the Ontario Cattlemen's Association is not

interested in the smaller producer because that is not true either. I do say the larger producers somehow or other got control, made policy and took the position that the Ontario stockyards community sales were no more important a method of selling cattle than selling direct to the packers.

Mrs. Marland: I respect the fact you are not painting all the directors with the same brush. There is another way of looking at this. Suppose the Ontario Stock Yards Board was to be disbanded for any reason at all, and you or the people who followed after you eventually were all to throw in the towel and say: "Look, we have been fighting for this for enough years now. We just cannot afford to continue the operation. The inequity is increasing because of the direct selling. We can no longer protect that smaller man." What would eventually happen is obvious. The major producers would take over, as I understand from what I heard this morning.

Tell me if I am right. The interesting thing I might see happening is that certainly the average to small producer is negatively affected, but at the other end I would think the consumer going to the store to buy beef would also be affected, because I would see the possibility of the beef prices being controlled by these major producers to the packers to the point of it being marginally a combine.

You do not have to answer that. I said it because--

Mr. Beattie: I agree. These fellows underestimated the number of cattle under the control of the packers this morning. Just drive into Bruce county and a farmer there will have perhaps 200 of his own and he will have 500 or 600 packer cattle not only in the lot but on grass. That is simply because the bank would not give him enough money to finance the numbers of cattle he needed this summer, and that is the way he did it. It is all over and all around us.

Mrs. Marland: I saw perhaps a similar example of this with the United Co-operatives of Ontario in Mississauga when the May brothers who operate Maple Lodge Farms were going through the question of how much poultry they were going to import from the United States. They came before our city council because they were being controlled and regulated against their wishes. That whole poultry industry in the province is comparable to what we are talking about, but a little bit further down the road.

That is why I can appreciate that this is a very serious situation in the province in terms of your area of responsibility and your area of interest. Obviously, it is in your interest to spend your time on the board. I may add that each one of you makes a very commendable contribution because it certainly takes time out of your own operation.

2:50 p.m.

Mr. Bossy: I just want to get back to the operation of the stockyards. Would there be any that are practically residents,

whether they are growers or people buying cattle, because it relates to the rental revenue? I am just wondering whether you would be renting some space within the yard to some cattle buyer of possibly unfinished cattle or whatever it might be. You say all your cattle go directly to the packers. We have feeder cattle and we have all kinds.

It ties into this rental revenue. I am looking at the sale of feed. Where does this come in? The sale of feed is a fairly large amount, looking at 1984 again. Is there anything relative between rental revenue, renting part of the stalls or whatever you might call it and then the sale of feed related to holding cattle there? Is there anyone feeding cattle on the stockyards at present and then returning them to the ring maybe in a couple of days, three days or a week? Is there any of that going on?

Mr. McDonell: The rental revenue shown in our financial statements is income we receive for renting areas within the stockyard property that may or may not be used for businesses related to the stockyards. We have a garage we rent to a trailer repair business. We have another couple of garages we rent for livestock transporting businesses. We lease a building to a poultry processing plant. We have another small area we lease to a small entrepreneur who washes and cleans up used cars. We have another area that an antifreeze and oil wholesaler rents. This is extra space we have that we are not using for our own business and we have an opportunity to rent it. That is what that rental income recognizes.

As far as the feed is concerned, we feed any cattle that are on the yard that the owner wants fed. If cattle come in by rail, we will feed them. If feeder cattle are on the market ready to sell and they want them fed, we will feed them. The feed sales there are for hay and bedding--hay and straw primarily. That figure in the financial statement is a gross figure where we take our selling price minus our buying price and out of that we have to include our labour fee.

Mr. Bossy: Just to clarify that, in other words, there is no one holding cattle there and feeding them on--

Mr. McDonell: The packers may hold cattle there and feed them, but they are cattle they own.

Mr. Bossy: How long can hold them there?

Mr. Matheson: They buy them on Friday and they may leave them there over the weekend until the kill starts on Monday or something.

Interjection: A couple of days.

Mr. Matheson: There is nobody feeding cattle for the sake of putting on weight there. Good heavens, no.

Mr. Bossy: It was just a clarification because it seems to tie together.

On the basis of what Norm mentioned concerning the American situation, would you say there is much more vertical integration in the United States than there is in Canada? We are heading there too and we have been for quite a while. All these large numbers or the big feeders are usually part owners or they may have their own slaughterhouses.

Mr. McDonell: I am not sure about vertical integration in the United States. There certainly is some. The way cattle are fed in the United States is somewhat different to here in that there are relatively large feedlots where the cattle are being fed on a custom basis. The ownership of those cattle that are being fed in those lots normally is not what we would term a producer, but investors. That is where the Americans are somewhat different to what we are here in Canada.

Mr. Warner: I would like to pick up on something Margaret was talking about and I want to see if I can nail it down.

To your knowledge, does the cattlemen's association have a formal policy on the question of direct sales to the packers?

Mr. McDonell: I am not sure I understand you entirely.

Mr. Warner: I assume this vexing problem of the producer selling directly to the packers is an item that has been discussed by the cattlemen's association. I wonder whether they have a formal policy on the matter of whether it is a good or bad thing to do or whether they should simply ignore it. Have they dealt with it at all in some formal way?

Mr. Beattie: They say we should allow cattle to be sold by all methods. It is about as all-encompassing as that.

Mr. Warner: In any manner whatsoever?

Mr. Beattie: Yes.

Mr. Matheson: They have voted on it at different times, and the vote was so close each way that they just dropped it. Those are the voting members who are at the convention. That is about what it amounts to.

Mr. Warner: It is a contentious item within their circles too.

I want to pick up on a definition that may be of help to some of the members. If we have basically two systems available--one, as now exists, in which a producer can sell to the packer directly or can take cattle to the yard or to a sale, versus a second system that excludes the opportunity for the farmer to sell directly to the packer--can we describe each of those systems as a free enterprise system? Can you describe the market that excludes going directly to the producer as not being part of a free enterprise system?

Mr. Matheson: My question would be, is the hog producers' system a free enterprise system?

Mr. Warner: I am looking for answers, not more questions.

Mr. McDonell: In the true sense of the word, if you are imposing some controls or some regulations that indicate directions in which people have to go, they have lost some of their freedom.

Mr. McKessock: Just as a supplementary to that, would you not consider it a free enterprise system if all packers had the right to bid on the product?

Mr. McDonell: Variations.

Mr. Preston: Going back to what Mr. Warner said, as I see it, a lot of the problem is that beef producers as a group seem to have cherished their independence. You can call it free enterprise, but they want to be able to decide how, when and where they market.

Virtually all other commodity groups in the agricultural sector have said, "We cannot afford complete independence." They say, "We are interdependent with each other and with the other segments of the agricultural economy and of whole economy of the country." They have said they are prepared to give up some of those choices, to relinquish some freedom, if you like, to gain some other freedom: the freedom, they hope, from being exploited or from receiving so often an unfair price for lack of competition.

Frankly, I think this cherished independence has cost the beef producers a lot of money.

Mr. Warner: To come at this another way, if we had a system whereby the farmer could not sell directly to the packer, we would still have a free market system in place because the price would continue to fluctuate on a daily basis. Am I right on that?

Mr. Preston: Right.

Mr. Warner: So, depending on how you wish to interpret the term "free enterprise"--although, as I mentioned before, it could be called "enterprise" but certainly not "free"; it is not free for the farmer in the long run with the packers intruding--we still have, for all intents and purposes, a free enterprise system in that the price can fluctuate and will be affected by factors other than the packers. Am I correct in that?

Mr. Preston: Yes.

3 p.m.

Mr. Warner: I have a couple of other questions. We have been talking about beef. Can I assume that the sheep and lambs and the horses are not particularly important in this discussion?

Mr. Beattie: Yes; you can accept that. Can you accept that, Grant?

Mr. Preston: I am a sheep producer. A major part of my income comes from the sale of sheep and lambs. I was going to see that at some point in this discussion we had a brief discussion about sheep marketing, but it is timely because this fall the Ontario sheep marketing agency will come into effect.

About the only immediate difference to the average producer will be that he no longer will be allowed to sell direct to a packing company. He will be allowed to sell direct to the consumer at the farm, and this is quite a significant point. I am not quite sure of my figures, but I think I am safe in saying that 20 to 25 per cent of lambs produced in this province are sold direct to the consumer, usually at the farm.

This practice will be allowed to continue but that of selling either at the farm or at the packing house door to a packing house or a processor will not be allowed.

It is significant that the report of the Sheep Marketing Agency Commission, which was given to the government about a year or so, recognized that the Ontario stockyards were central to sheep and lamb marketing in Ontario. It is by far the largest market for sheep and lambs in Canada, the envy of pretty well the rest of the country, and many of the US producers would love to have this kind of a market.

We have a relatively large number of bidders, mostly small, ethnic processors. The large companies, such as Canada Packers and Schneider, are involved very little in lamb killing, Schneider not at all now; it is the small, ethnic producers that make this market.

The commissioners and the producers recognized the importance of the stockyards. When the commissioners had their public hearings across the province, all the submissions emphasized the importance of the yards. Whatever kind of marketing plan they might come up with, they suggest that the Ontario stockyards are going to be an integral or central part of it and that is the case.

When this report of the commissioners was presented to the annual meeting of the Ontario Sheep Association in November 1983--we are going back more than a year and a half now--it is interesting to note that it was accepted unanimously by the elected delegates at the meeting. I could hardly believe it; most of us thought it would carry by a substantial majority, maybe 80 or 85 per cent, but every one of the approximately 90 elected delegates from the district associations voted that we accept the commissioners' report. They asked the Ontario government to implement the agency and it is being done.

In the short run, we do not think there is going to be any immediate improvement in price. The producers are taking the long view; they are looking for more stabilization of prices. It is what economists call a thin market. Perhaps 10 or 20 per cent too many lambs immediately dropped the price in one week in the yards by 25 cents a pound. Cattlemen think it is bad when cattle go down by five cents, but sometimes we have to contend with a 20-cent drop in one week.

We are looking for stability and long-term improvement in the industry, but the stockyards, as they now exist, will continue to be a fundamental, central part of the sheep marketing plan.

Mr. Warner: Is cattle the only commodity that has this strange intrusion by the packers? All the other commodities, chickens or hogs or whatever, have a kind of orderly way that provides the farmer with some measure of stability and allows prices to fluctuate on the open market without the packers intruding. It is only the cattle where this happens.

Mr. Matheson: Chicken and turkey producers have their marketing agencies and they have price-setting mechanisms. Perhaps Grant makes it sound too simple. In the case of hogs you have one line, almost every hog's behind looks the same and it hangs there and there might be an inch difference in the length. In the case of cattle, as with no other kind of livestock, in one day you might have on the market 10 or a dozen different variations, grades and kinds of heifers; the same is true of steers, cows and bulls. So that will not work all the same down the line.

Then you have interprovincial trade by the very nature of our country where calves are born on the range in the west and are finished down here where the population is. You have international trade; we export beef every week and we import beef every week. So it is not all that tidy and simple for a supply-management marketing group.

The thing that will work is where you ended up when you last spoke, Mr. Warner. It would be possible to improve the price-setting mechanism by having the cattle all sold under competition.

Mr. Warner: Right. Thank you.

Mr. Sterling: Instead of making a regulation saying you must do this, the other way is to buy your way out of the problem. Governments have been known to do that. I guess the obvious way to buy ourselves out of this problem and put more control in your hands is to supplement your commission.

If your commission were supplemented by other revenue, instead of charging \$3.55 to sell whatever, you were able to charge \$2.55, \$1.55 or nothing, what would entice your take of the cattle from 40 per cent up? Would it make a big difference?

Mr. Beattie: If we raised it any more now it would drive cattle away.

Mr. Sterling: What if you lowered it?

Mr. Beattie: It would help a little, but we are right in line with the other people.

Mr. Sterling: With the auction barns?

Mr. Beattie: Yes.

Mr. Sterling: They are charging the same commission rate?

Mr. Beattie: Just about.

Mr. Sterling: So if you dropped the thing it would be seen as skewing from them?

Mr. Beattie: There are relative things, like trucking and so on, that help to--

Mr. Sterling: How much would it cost to transport one cow from eastern Ontario to your stockyards?

Mr. Beattie: What does McFarlane charge, \$1?

Mr. McDonell: I think he charges about \$1.20 per 100 pounds.

Mr. Preston: So it is \$10 or \$12 per steer.

Mr. Sterling: If we subsidized you, we could subsidize the other stock barns as well.

3:10 p.m.

Mr. McDonell: Certainly from the standpoint of taking a look at our total expenses and comparing us, if you want to compare us, with another sale or something, I guess the thing that has to be examined is the fact that we are operating 24 hours a day, seven days a week. We have to have staff on duty at night, weekends and what have you, mainly because of the fact that we are receiving cattle all the time. If you take a look at some of the community sales that are operating one day a week, they will bring a staff on the night before and have maybe only two or three part-time staff or whatever it is.

Naturally, when you are in a position of having full-time staff around, you have to pay them a wage such that they will stay and work for you, whereas the community sales are hiring people on a one-day-a-week basis or something like that. You can hire people on a part-time basis much cheaper than you can on a full-time basis because they are simply looking at that as one day's income, probably supplementing another job.

When we take a look at our total expenses, probably at least 10 per cent of our labour costs are involved with off-hour or weekend help simply because of the nature of the business we operate. This is why we have to have people there all the time. I guess some of the services we are providing in those off hours are things people have come to depend on and they expect us to be there.

Mr. Sterling: We subsidize milk fairly heavily.

Mr. McDonell: About \$1 million a day.

Mr. Sterling: To the tune of maybe 10 to 15 per cent of the cost of the price to the farmer. It seems to me the dairy industry is doing one hell of a lot better than the red meat industry and particularly cattle. If the government is going to

help out the red meat industry in some way, it has to look for productive ways to do that. If the cattlemen across the province feel the story you are selling to us today is legitimate, then perhaps what they should be seeking is some kind of subsidization of your process and of the community sales arena, because they are doing the same thing you are in effect, but on a fractured basis. It is still a competitive bidding system, which is not as good as bringing them here, but I am reading that you are saying it is almost as good as what you are doing in Toronto.

My question to you again is, what is enough to entice them across the line between using the drover or using your services or the community sale barn? Is it \$1 a head? Is it \$2 a head? Will that make a big difference?

Mr. McDonell: I do not know how to answer that, because I am not sure I have taken a look at it from the standpoint of saying, "Okay, if we lowered our fees by 40 per cent, what would happen?" If our yardage fees were lowered by \$1 a head, which is getting up towards the 27 or 28 per cent area, it would have quite a drastic attraction to people coming in, I would think.

Mr. Beattie: All things being equal, you would be close, Doug, but all things are not equal. If you have a fairly large trucker operating, one of the \$5 men, he is sure not going to let it be known that you have a lower rate and lose his customers.

Mr. Sterling: No, but I am sure that kind of thing is well advertised in the farm community. I have never met a more politically astute group of citizens than farmers in this province. They all read Farm and Country, or a good number of them do, and they are going to find out in pretty quick order where the advantage is.

Mr. McKessock: You are going to hear from them pretty quickly if the subsidization comes in that direction, rather than through a stabilization plan that would be right across the board. It would raise the ire of a lot of farmers if only the Toronto livestock and the community sales were subsidized. It might have the effect of bringing the cattle to these facilities rather than direct to the packers, but it would be a hard thing to implement.

Mr. Sterling: I am not saying either/or, but if you subsidize to a dollar a head, let me ask how many head you run through a year.

Mr. McDonell: About 350,000 slaughter cattle.

Mr. Sterling: So that is about \$500,000, which is about what your loss is.

Mr. McDonell: No, our loss is not that much.

Mr. Sterling: No, it was \$70,000. Sorry.

Mr. Treleaven: Unless there are legislative changes, do you see the feedlot volume increasing and the direct sales increasing, all other things remaining the same--I am seeing some

nodding--and therefore your volume decreasing? Is that basically it: if direct sales are going to increase, your volume is going to decrease?

Do you see the irregularities, the \$5 man and so forth, these different gimmicks, if I may call them that, gradually increasing in the industry? I see more nodding.

If I can draw parallels with the hog industry, the milk industry and the tobacco industry, each of those had tremendous irregularities, gimmicks or whatever, nepotism and on and on. Each of those reached the point where the producer sort of rose up and demanded something. The ultimate end was supply management to get around all the irregularities or unfairnesses.

I am taking a big jump now for cattlemen. Do you see the ultimate end result of supply management in the beef industry somewhere down the line? If it has happened in those other industries, do you see it also happening in the beef industry?

Mr. Beattie: If we have a genius come into our midst and tell us how you can look after the interprovincial and the international.

Mr. Treleaven: The answer is the same as those others. You block the borders, you close off the borders.

Mr. Beattie: No, but it is a different product entirely. It does not mean as much to the whole economy as the beef industry does. It is a different ball game entirely. I do not think anyone has come up with an answer to make it work as far as supply management is concerned, unless we want to isolate ourselves, and look who benefits the most in a 10-year period.

Mr. Treleaven: Right. Those other supply managements, whether it is the feather quotas and so on, they have all closed the border to make those work. You are saying that is a stumbling block. If that was removed, would it be supply management?

Mr. McDonell: If I may interject, you are probably taking it to the ultimate end, and I guess I cannot see it going quite that far. Probably the interim step at least would be what we are talking about as far as the competitive aspect, either having cattle go through a competitive market or something like the hog board where there is a selling agency.

I would prefer to see it so that there had to be a competitive atmosphere wherever cattle were traded.

3:20 p.m.

Mr. Treleaven: You are describing what the sheep producers have and what the cattle people rejected. You see that as the ultimate or bottom step, and it can be cleaned up at that point.

Mr. McDonell: The cattlemen did not have a chance to reject it.

Mr. Treleaven: Okay. They did not have a formal plebiscite. You are right.

Mr. McDonell: That is right. That opportunity was taken away from them.

Mr. Chairman: I thought they did. It was on May 2?

Mr. Treleaven: No.

Mr. Sterling: It was on January 26.

Mr. Treleaven: You could interpret "taken away from them" or "the pressures were such that," etc. It was withdrawn, whatever.

Do you see in that kind of outfit--I guess the answer is obviously yes. You would see yourself as beefed up in importance in the beef industry if the same type of operation existed or came about in the beef as in the sheep. You would be tremendously more important. You would probably be the single-desk agency.

Mr. McDonell: No. I do not think that is what we are looking at. If we have given you the impression that we thought we were going to be the selling agency, that is not what we are here for today.

Mr. Treleaven: But you would be the focal point. Your stockyard would probably be the site--

Mr. McDonell: That may be, but I think our total concern is the viability of the industry in Ontario, and we are very concerned about what we are seeing right now. If some changes come along down the road that benefit us, fine; but our prime concern is the industry.

Mr. McKessock: A minute ago I was going to ask your opinion on how subsidization should take place if it is going to happen in the beef industry. Should it be through what was mentioned here, the stockyards and community sales, or through across-the-board stabilization?

Interjection: What was the question again?

Interjection: Stabilization.

Mr. McKessock: How long are we going here, Mr. Chairman?

Mr. Chairman: We have to vacate the premises by 4:30 p.m. and we have a little internal work that has to be done. I would like to wrap it up in five minutes or so.

Mr. McKessock: I hate not to say something about supply management when we are talking to a group of farmers, but you seem to be a little hesitant to talk about that.

Mr. Chairman: We are not exactly doing a debate on supply management here today.

Mr. Beattie: This group has sat around, and we agree with what Grant says and what they have done with the sheep. We agree with what they have done with the hog thing. We know about the milk thing. We think it is awfully expensive for the country; as Doug said, \$1 million a day.

But when it comes to beef, a tractor is a different animal from a horse and a horse is different from an airplane, and that is the way the beef thing sits in this country. It is not so simple as just to say we would be better off to have supply management, because we probably would not be any better off. We would lose some of the good things we have now and probably lose too many of them in relation.

We know one thing, and that is that there are a lot of days in this province when the beef production is bought too easily and the highest prices are not paid, and we think that is bad for the industry. We think there are ways of improving that, and that is the first thing we are interested in.

The second thing we are interested in is that we will all be out of business if we do not do something to help the overall beef industry in Ontario, and we are no worse off in Ontario than they are in most other provinces, with the exception of a couple. When you say what you should do for us, what you have done in the way of the interest subsidies, that is very good, and there are some producers who will benefit from that program. To the best of our knowledge at this point, the best thing is the stabilization program but I do not know why in hell we do not get it into place and get going.

Mr. McKessock: Okay. In that area of sales where selling on the rail is going to improve, I remember one case where two steers were sold for the same price on the open market but when they were dressed out there was \$100 more beef on one than the other. This is one of the areas where you are talking about some people really getting ripped off by not getting the actual pay for the goods they are producing.

Mr. Beattie: I was speaking with respect to price and poor deals alone. Do not you kid yourself, there is not a buyer sitting down there this morning at the ring who does not know and is not able to spot a steer with cutability within a very slim margin. There is not one of them.

Mr. McDonell: Bob, do you telephone the Ontario Cattlemen's Association market information number at all?

Mr. McKessock: No, I get Canadian Facts every week.

Mr. McDonell: Okay. Last Monday morning, if you phoned the OCA number, you would have been given the range of prices that were reportedly paid for cattle bought by different plants based on a 550-pound to 700-pound carcass, A-1 and A-2, so the bases should have been all the same on every sale made.

The range in prices was \$1.22 to \$1.28. Six cents a pound on a 700-pound steer is \$42 a head. Who made money on those cattle? That is close to \$2,000 on a potload.

Mr. Chairman: Okay. Any further questions from members of the committee? We want to thank you, gentlemen, for showing us your facility this morning and for being here this afternoon. We do a report to the Legislature on the workings on each of the agencies and we will be happy to supply you with a copy of that. After that, the Legislature usually has a debate around it and the ministries related to your agency usually respond to any recommendations the committee might make. We thank you very much for showing us around your facility this morning and for attending with us this afternoon.

Mr. Preston: Mr. Chairman, there is one thing that really did not get discussed this morning or afternoon. It is not essential we discuss it, but it should be mentioned and if your committee wants more information, Doug will supply it. That is about the system of financial protection in place on the stockyards. It is very important. Our board and management have spent a lot of time over the years working on it because of financial wrecks in the livestock processing business and there is no market where the loser is better protected than in the Ontario stockyards.

Mr. Chairman: That is good. John may have several other questions for picking up some information from you. We always like to leave with you the opportunity that if you think of something you would like the committee to be aware of, please feel free to contact us at any time. We are trying to find out how agencies work and we sometimes have to do that in a rather short time. If you think of something, if there is more information you think the committee should have or an opinion you want to voice, please feel free to take advantage of that.

Mr. Treleaven: Mr. Chairman, I know we are rushed for time. Could I have 50 words on how the financial protection is better for the producer dealing through the stockyards than by private trading? Let us not take Burns Meats Ltd. or Canada Packers, let us take Smith's Abattoir in Mount Elgin--and there is not any such company--who takes a few hundred a year.

3:30 p.m.

Mr. Preston: The Ontario stockyards or the livestock exchange--the yards and the commission firms have an organization called the livestock exchange--has one man whose virtual full-time work is monitoring the buys and the pay-ins outstanding of every buyer.

Every buyer has a credit limit and has to present a bond or letters of credit. So this one man keeps track of their buy in relation to their limits of credit. The buyers must pay up within 48 hours or two working days. There has never been a producer who was not paid because of the financial failure of a buyer on the stockyard.

As I understand it, the way the present Ontario government's financial protection policy works, to get licensed, the dealer-buyer has to present a financial statement of his net worth. You know how those things can change or be changed; we do

not think it is nearly as effective as the system at the stockyards.

Mr. Treleaven: Good. Thank you.

Mr. Preston: That could be increased, and you could talk for an hour on that sort of thing.

Mr. Chairman: Okay. Thank you very much, gentlemen.

We are going to take a couple of minutes' break. I would like the committee to stick around till about four o'clock. We have a little organizational work to do. I do not believe we will need the Hansard service after the break.

The committee recessed at 3:31 p.m.

The committee considered other business at 3:45 p.m.

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STANDING COMMITTEE ON PROCEDURAL AFFAIRS AND AGENCIES, BOARDS
AND COMMISSIONS

PRESS CONFERENCE ON TELEVISION IN THE LEGISLATURE
ONTARIO HUMAN RIGHTS COMMISSION

WEDNESDAY, SEPTEMBER 4, 1985

Morning sitting

STANDING COMMITTEE ON PROCEDURAL AFFAIRS AND AGENCIES,
BOARDS AND COMMISSIONS

CHAIRMAN: Breaugh, M. J. (Oshawa NDP)
VICE-CHAIRMAN: Mancini, R. (Essex South L)
Bossy, M. L. (Chatham-Kent L)
Marland, M. (Mississauga South PC)
McCaffrey, R. B. (Armourdale PC)
McClellan, R. A. (Bellwoods NDP)
Morin, G. E. (Carleton East L)
Newman, B. (Windsor-Walkerville L)
Sterling, N. W. (Carleton-Grenville PC)
Treleaven, R. L. (Oxford PC)
Warner, D. W. (Scarborough-Ellesmere NDP)

Substitution:

McKessock, R. (Grey L) for Mr. Morin

Clerk: Forsyth, S.

Staff:

Eichmanis, J., Research Officer, Legislative Research Service

From the Ministry of Labour:

Armstrong, T. E., Deputy Minister

From the Ontario Human Rights Commission:

Brown, G. A., Executive Director

Purcell, Canon B., Chairman

Ubale, Dr. B., Commissioner for Race Relations

LEGISLATIVE ASSEMBLY OF ONTARIO

STANDING COMMITTEE ON PROCEDURAL AFFAIRS AND
AGENCIES, BOARDS AND COMMISSIONS

Wednesday, September 4, 1985

The committee met at 9:41 a.m. in room 228.

PRESS CONFERENCE ON TELEVISION IN THE LEGISLATURE

Mr. Chairman: Basically what we want to do this morning at this press conference prior to our regular business is to keep it fairly simple. The committee has tabled with the Clerk of the House its report on televising the proceedings.

Essentially what we are concerned with--and I will not go through all the recommendations--are 34 recommendations in the report that attempt to cover the process of televising the proceedings of the Ontario Legislature. Subsequently to that, a great deal of work of a technical nature of design and of acquiring staff and equipment will have to be done. We are not in a very good position to answer a whole lot of questions on that.

We can give you information we have provided to the Board of Internal Economy from the Saskatchewan experience and a little bit from the federal experience, but at this stage we are presenting a report that recommends that the proceedings be televised gavel to gavel, so to speak. We are hoping to begin a test process some time during the fall session, but we realize the acquisition and installation of equipment may not be possible; so the target date for beginning an almost full electronic Hansard is the beginning of the spring session.

We hope during the fall session we will have a test period. We have recommended some guidelines, which we have included in the report, for how the coverage will be provided. There is a recommendation in here that French-language services be provided, and we have provided some recommendations for signing, or at least we did ask the board to look at closed captioning.

In general, the themes of the recommendations are pretty consistent. They talk about access so that everyone has equal access to the televised proceedings. They talk about trying to do it in such a way as to provide an accurate presentation. We were mindful that in other jurisdictions--and we have collectively seen most of the jurisdictions in Canada--they do allow television into the chambers.

There are occasions when, although an electronic Hansard is kept, for those who watch it and are not fully familiar with parliamentary procedure it is sometimes a little difficult to follow. So we are making some recommendations, and I guess the general drift of it all is that we would like to have an accurate portrayal of the proceedings of this Legislature.

There are 34 recommendations, and in the press release we do go through them. It would take some time to do that. I hope you have had a chance to peruse them now. We have asked all members of the committee to be present here this morning so you would get a sense that, as we went through this, we tried to work for a consensus. The report was adopted by the entire committee unanimously. There are probably some things that will need some further discussion, perhaps with the gallery, perhaps with the board and perhaps with other members. But, in summary, we want to begin televising these proceedings as soon as we can. We want to gain some experience on that.

We do recognize that what we are interested in doing is somewhat different, for example, from what you as people who are covering the Legislature are trying to do in gathering news. We are trying to provide more information, the opportunity for people to watch, for example, the proceedings on a particular piece of legislation that might not be front-page news but might be very important to them where they live or where they work. So there is that distinction to be made.

With those few remarks, I think any member of the committee would be happy to take questions from the news media. If you would like to start, we are here. No questions?

Question: Mr. Chairman, was it a unanimous decision of the committee to go ahead with TV in the House? Were there any dissenters on the committee?

Mr. Chairman: No. The final decision was unanimous. There are some of us who--

Mr. Treleven: Correction. We carry on.

Mr. Chairman: No. I believe the final vote was unanimous. Some of us had some reservations about some of the recommendations, but what finally brought us all together was that we agreed we would try this on a trial basis and that we would continue to review the process. I think that is an important element in it.

From what we have seen in other jurisdictions, we cannot sit down and write a set of guidelines that will apply for ever. We need to have a constant review. One of the recommendations is that a committee of the Legislature, this one, will continue to function in a capacity where people who have concerns about how the proceedings are being televised can raise them. If they are members of the Legislature with a group of their peers at a standing committee, or if they are members of the press gallery, there is an opportunity to come before the committee, probably not every day of one's life, but when a problem arises or on a regular basis, say, once a year.

Question: Looking at page 23, do we take it from that you will be turfing some of the press gallery out?

Mr. Chairman: No. It should not be interpreted that we are turfing anybody out of anywhere.

Mr. Treleaven: Can I get a clarification of that? As Mike said, the report was adopted unanimously, but at no point was there ever any discussion as to whether we would have television in the House. It was set out very early. There was no question and no discussion of if, just what and when. We did not discuss the merits of having television in the House. We started with the presumption we would have it and then tried to work out the best television we could get.

Mr. Chairman: Yes. But by motion of the House, this committee was directed to focus on how we would do that. The question of will we or will we not--for example, one of our recommendations is that we feel rather strongly that this is a substantial change in the way the business of the House is conducted. We want the members to have the opportunity to answer that question, yes or no, whether they like this report and we ought to proceed now with full television coverage. We have begun discussions around arranging for a debate to happen and a vote to take place.

Mr. Sterling: The other point that is very important is that this committee has not defined the cost of carrying out this function.

Mr. Chairman: That is right. That is not our job.

Mr. Sterling: Many members of the committee might feel reluctant to go ahead with it if the cost were exorbitant. That is a limiting factor. Without doubt, everybody here felt that if it could be done within a reasonable cost, we would go full speed ahead. However, I have some reservations if the cost is too great.

Mr. Chairman: Yes. As you go through the report you will see on a number of occasions the committee came up to that point where we were faced with a cost factor. We tried to establish the principle we wanted to have established. For example, there is a range of numbers you could apply to this. Saskatchewan in 1982 implemented this kind of coverage for about \$1.5 million. The federal government, when it did its implementation, costed out at about \$6.5 million.

There are tremendous choices to be made in here, all the way from--for example, we looked at signing as a means of providing communication to people who have a hearing impairment. We can do signing as the federal government does now at about \$30 an hour, with a television camera and someone who does the signing. If we go to closed captions, which is another suggestion, one of the ways to do it is to buy a service at about \$3,000 an hour. So there are tremendous cost differences to be made there.

It is not our job as a procedural affairs committee to deal with the tendering for equipment, for example, and to make the cost decisions. The Board of Internal Economy has that function to perform.

Question: Approximately how much is that going to cost?

Mr. Chairman: We can only ball-park this now. We have had trouble in the committee. The Saskatchewan figures are three years old. The best advice we get is that, if anything, the cost for some equipment has gone down and for others it has gone up. It should level out. If you wanted to ball-park it, it would probably be between \$1.5 million and \$2 million to install the system and about \$500,000 annually to operate the system.

Question: Also, I have a question on page 23, the paragraph that says, "The committee is concerned that interruptions from the public, press or Speaker's gallery and other proceedings of the House should, so far as practicable, not be broadcast by the commercial television organizations or the Legislature's television broadcast system." If the Hansard system is not going to shoot that, what is to prevent members of the press gallery shooting it and airing it as we see fit? Or are you suggesting some restrictions be placed on it?

9:50 a.m.

Mr. Chairman: Yes. You should be aware of this, but when members of the gallery were before us, it struck us that some members of the gallery are not aware there are guidelines now issued by the Speaker for what kind of coverage is allowed in the chamber. That is one area where there is going to be some further discussion about it. If the Speaker wants to, he can use the guidelines established when television cameras were first admitted to the chamber. They direct that coverage should be of the proceedings and not of demonstrations.

In this and several other areas, it is going to become a matter of practice. If it became the practice in the House, for example, that everybody wanted who wanted to get on national television had a demonstration in the gallery at Queen's Park, I think you would find the Speaker being far more restrictive than he is now. The truth of the matter is that in almost a decade it has been a rare occurrence. It has not been a problem and no one has made a fuss about it, but I dare say if that became a regular occurrence, the Speaker would start adhering to the guidelines which are now in effect.

Question: What restrictions will be placed on the members of the media? In the case of a demonstration, the newspapers can take still photographs.

Mr. Chairman: That is the problem. The directives now essentially are aimed at television cameras. No one has addressed himself to the problem of a still photographer who may be present in the chamber or, for that matter, a reporter who may be present in the chamber. I do not know of any Legislature in Canada which has really done very much in terms of coming to grips with this problem. What we have done is to state we think access should be continued for camera crews other than those that are working for the assembly. We tried to point out there are guidelines in place now. It probably is one of those areas where some further discussion is necessary.

Mrs. Marland: This is the one area I had some difficulty with during the discussions. I was persuaded by the discussion as it evolved that if we cannot control the still cameras that are in the gallery today, then why should we control all the independent stations. However, and I did state this at the time, I have a lot of reservations about encouraging the coverage of a demonstration because, as you have just pointed out, that is only going to encourage more demonstrations.

There are lots of opportunities for the public to demonstrate to our House and they are more than welcome in the right place, but the correct place is not in the House itself. It is out at the front door. That has been done in the past, but I have a lot of difficulty with this area. I have decided I do not have any difficulty at all on the access of the cameras, either the still or any number of the stations, but I do feel very strongly that if we are having electronic Hansard to record the events of the House and the proceedings in the House and the responses of the elected members of the House, then I am completely supportive of that, but that is where I think the limit has to be.

We had some discussion about whether members should be shielded from their own behaviour in terms of the cameras and whether, if a member drinks his dinner and then is photographed, that is something he should be protected from.

Question: And (inaudible) reporters as well.

Mr. Chairman: Yes.

Mrs. Marland: I felt very strongly that we have to be responsible for whatever we do as elected members sitting in the Legislature and we should not be shielded from having that recorded electronically on a television camera. If there is anything we are doing that has a lack of decorum, then so be it if it is publicized because we have to be responsible for ourselves. However, I feel very strongly about any publicity being given to people who use the House public galleries for the purpose of their own demonstration.

Mr. Sterling: In terms of the cost, on which you had answered a question to the press, I think you may have left open a chance for a criticism in the future. While we can predict the costs with some degree of accuracy in terms of the actual installation of cameras, the part which concerns me is the installation of the proper lighting.

In the legislative chambers, there is some problem with the structure of the Legislature, particularly with the ceiling. It was very clear in this committee that the lighting in the Legislative Assembly and in the House of Commons in Ottawa is not satisfactory for members in terms of working conditions of our members of the Legislature. Therefore, a real condition for this going forward is that proper lighting be installed there. We do not know what the cost of putting the proper lighting in that legislative chamber might be.

Question: I have two technical questions. Do you need legislation to be passed through the House to implement this?

Mr. Chairman: No.

Question: How can it be done? By agreement of the three parties?

Mr. Chairman: There are a number of ways we can do it. The way we are suggesting it be initiated is that a report be tabled, this report, and that a debate occur. Subsequently, there will be a number of motions passed at different committees--the standing committee on members' services, for example.

The point that has just been raised is an important one. The chamber is where we work. If the conditions are such that members cannot stay there--for example, in the federal House, a lot of members we talked to said the glare of the lights meant that after about an hour they had to get out of the place. That is not a very satisfactory way to set up shop.

We suggest there will be a report and the House will have a chance to say yes or no. The Board of Internal Economy is responsible for buying equipment and installing staff and that kind of thing. This committee will continue to review it. There is no need for a new law to be passed.

Question: Just a motion.

Mr. Chairman: Just motions, yes.

Question: The other technical question I have is about distribution. Aside from the daily question period, how are you going to ensure there is gavel-to-gavel availability to all the citizens of Ontario?

Mr. Chairman: The easy part is to ensure there is a package available. That part is not hard. The difficult part is to go through all the range of choices in distribution systems. We are not in a position to make a judgement on that. We included what information we had about it in the report.

The federal government, for example, is now contemplating setting up what amounts to another national television system to provide it. Some jurisdictions simply offer the tape of the proceedings and if people want it, they are asked to come and get it. Some have a distribution system. You could hit about 60 to 70 per cent of the population of Ontario by making it available to cable systems. If they were to broadcast it on a public service channel, that would hit people. You could go a little higher if you went to an on-air kind of thing such as TVOntario, which could seek another channel and use its licence to broadcast it. You could go through the Bell Canada system at a somewhat astronomical fee, or you could make it available at a fee.

The choices that have to be made about distribution are in part about access but they are about economics too. The economics part

is not this committee's consideration. We try to establish the principle, but televising the proceedings is a rather useless venture if people throughout the province cannot have access to it.

To run a system which would simply put it at the front door of Queen's Park so that major Toronto networks could pick it up at no cost, because they have staff working here anyway, but outlets in northern Ontario would have no chance to get it, would be unfair. We are simply laying out the principle that everybody should have an equal shot at it, no matter how it is done. Some further study is needed on the costs of those things.

Question: Have you approached any cable stations or anyone about distribution?

Mr. Chairman: Yes. We have asked the association to appear before the committee. They are due in here about the third week of September or something like that.

Question: If you do not pay for the cost of distributing the signal to stations in other parts of the province, do you expect the cable systems to pick up the costs? Who is going to pay for that?

Mr. Chairman: That is the kind of thing that has to be negotiated. We are meeting with the association of cable systems. The hearings of the standing committee on social development downstairs are being televised throughout the province and that is not hitting every household. We have unique problems in Ontario in that most of rural Ontario and many parts of northern Ontario are not hooked into a cable system.

If the cable companies decided we should provide them with the cassettes and they would put it on the air, we would have a distribution system that would be pretty good, but there would still be pockets of our province which would not get the signal. If we convinced TVOntario to get another channel and to broadcast on air, that would be pretty good for many parts of Ontario, but there are certain parts of the province which cannot get that channel yet.

There are technical and economic problems that have to be worked out. What we are going to try to do is suggest that the cheapest possible system be used to initiate it and then we will look at the other options.

Question: When you say the cost is between \$1.5 million and \$2 million, that is just to put the cameras in.

Mr. Chairman: Yes.

Question: For anybody to see it, to actually watch the whole thing, is another amount which, as you say, is astronomical.

10 a.m.

Mr. Chairman: It could be. To use the current example, the social development committee is being broadcast now. The cost to the Legislative Assembly is zip. It depends on what you want to do here. This could cost absolutely nothing to the Legislative Assembly or it could cost a few million dollars. You pay your money and you take your choices.

Question: You were asked at the beginning whether the decision was unanimous and you said it was.

Mr. Chairman: Yes.

Question: I guess the question was asked because it would be a remarkable conversion since the Conservatives opposed electronic Hansard in the Legislature for many years and as recently as a year ago, when they stopped Tony Grande's motion.

Mr. Treleaven interjected to explain his point of view--the Conservative point of view, I guess--and he said--

Interjection.

Mr. Chairman: Let him ask the question, Margaret.

Question: He said you started on the basis that we were going to have TV; you did not go into the basic principle of having it. I just wonder if that means the Conservatives are accepting it as a fait accompli since they know the Liberals and the New Democrats, who between them have a majority, have a consensus on TV, or whether the Conservatives now are philosophically in favour of electronic Hansard. As I say, this would be a tremendous conversion; is it a conversion since William Davis departed?

Interjections.

Mr. Treleaven: I am speaking only for myself, not stating any partisan PC position; so do not get running off on the conversion angle.

As I stated at the beginning, we established very early that it was not a question of the merits of having it or not. If it had been a question of the merits of having television in the House, then our deliberations and our arguments and considerations might have been different.

Also, vis-à-vis the questioning that has just taken place on the distribution so far as having television in the House or going out across Ontario is concerned, there are many of us in this room with ridings that are not likely to get distribution of this or, if we do, it is going to be only that minority of people with dishes or converters who will even get this. I am not on cable at my own home, for instance. I am not the only one even in this room; there are a lot of ridings where distribution of this is a question. Metro Toronto will get it, no matter what the distribution system is.

Question: May I ask how you can be in favour of having an electronic system in the House, as the report states, if you are not in favour of the merits of it?

Interjections.

Mr. Sterling: Just a minute. First of all, each person has to speak for himself on this committee. I think, Mr. Dowd, one of the things we all learn in politics is that the electorate did have something to say about the past performance of the Conservative government. Some of us have learned lessons from that particular rebuff. One of the lessons I have learned, and I feel this as a former member of the government, is that the process should be more open.

I think most of my colleagues within the Conservative caucus now would support a measure to install electronic Hansard in the Legislative Assembly, notwithstanding our previous position. As far as I am concerned, there is nothing wrong with a party changing its position or with a politician changing his position, and there is nothing wrong with politicians learning from what the public have to say about their past conduct.

Mr. Chairman: Margaret?

Mrs. Marland: As a member of the Legislature, I do not feel I am shackled by that policy of the Conservative Party. I was not part of any discussion since I was only elected in the recent election. Not having been part of any previous discussion on the part of the Conservative Party as to whether to have electronic Hansard, if I had been part of the discussion I would have worked extremely hard to encourage our party to have that open aspect of the operation of the House.

In the day and age we are in, in this 20th century, it is archaic for us not to have the benefit of that technology and for the public of Ontario not to have the benefit of that technology. It is very interesting, coming from the city of Mississauga, where the council meetings have been televised in excess of eight years now, and knowing the phenomenal growth in the viewing public in Mississauga of those council meetings. Let us face it. Some of the procedures in the House, the same as some of the procedures in a city council meeting, are pretty dull and boring, yet it is amazing the number of the public who are interested and are viewing. To give that opportunity to the electorate is the only way to go, and I am very happy that was the mandate of this committee.

Question: May I ask Mrs. Marland one question? She said she was not part of the decision in the past by the Conservatives to oppose electronic Hansard. Of course, she was not here last year.

You said you had worked very hard to get open discussion and an open view of the House. Would you have voted for electronic Hansard last year and not against it, as did the rest of the Conservatives, prompted no doubt by Mr. Davis, including Mr. Treleven?

Mrs. Marland: That is a difficult question for me to answer, because I would hope I would have been persuasive enough that I would not have been put in the position that I had to vote against my own party.

Question: You would have persuaded the other Conservatives?

Mrs. Marland: That is right.

Question: I was just wondering how this would be able to be used. If I were a Conservative or Liberal candidate running in Sudbury East, would I be able to show Elie Martel being named?

Mr. Chairman: Some people in Saskatchewan, for example, got a little paranoid, I guess, about what people might do with it. To summarize what this committee said: Once the tape is made of the day's proceedings, and we want it to be an accurate portrayal of what happened that day, it is then a matter of public record, just as written Hansard is, just as a newspaper story or a television piece is.

As far as we were concerned, in our recommendations, once it is done, it is a matter of history, it is a matter of record, and we hope it is accurate. It is there for virtually anybody who wants to use it to use it. A year from now or two years from now, we may take a different point of view on that, but we thought that was the way to proceed.

Mr. Mancini: I would like to say the committee worked basically from the guidelines that have been used in Saskatchewan. If you will check schedule A, you will notice the television guidelines that we have incorporated.

Basically what we did, after we reviewed the Saskatchewan guidelines, was we deleted any of the restrictions that had been made and placed into effect by the Saskatchewan Legislature, which restricted the use of these tapes during election campaigns. We felt that not only was that technologically no longer feasible because of the rapid growth of the videocassette recorder industry, but it was trying to prohibit the people of Ontario from actually seeing what was going on.

We asked ourselves the exact same question: Should we not allow these types of things to be used in the election campaign? The committee decided that whatever took place in the House and whatever was recorded by the electronic Hansard should be public information and be used in any way whatsoever, whether it be an election campaign or not.

I ask that you go over the television guidelines because they are the most liberal guidelines in Canada with respect to any televised Hansard in place.

Mr. Chairman: That was a poor choice of words.

Question: I have a question of you, Mr. Sterling. You originally opposed having private cameras in the gallery unless we all agreed we would not shoot anything else. Is that still your personal view?

Mr. Sterling: I expressed an opinion at the time about the fact that I think it is very important for the Speaker to have

control of the events inside the Legislative Assembly. I still believe that is the case. I expressed that opinion because it was a part of the debate of this committee, and I thought it was a worthwhile point to put forward. I did express to the press outside that I was not hard and fast on that point and could be convinced one way or the other on it.

10:10 a.m.

I guess what I am willing to do is say that for the meantime, if there is not a tremendous increase in the number of public demonstrations that take place inside the Legislature, I will forgo my previous objections if the Speaker can maintain control of the Legislature within reasonable limitations.

However, if there is a rapid increase in the number of public demonstrations or activity from outside the legislative floor, then I would be at the forefront of trying to control the activity of the other people inside the chambers with more limitations. That would include, of course, the television cameras.

I still remain a little concerned about the physical problems of cameras coming in and going out and the noise and the disruption that now occurs in the Legislative Assembly. I hope that some reasonable solution can be found to that physical problem.

Mr. Chairman: Are there any other questions? Thank you very much for attending this morning. Committee members will be around for a little while. We do have a hearing on the Ontario Human Rights Commission, which I know you want to stay and cover too, just as you covered the stockyards meeting yesterday--a scathing condemnation of the media.

The committee recessed at 10:15 a.m.

10:25 a.m.

Mr. Chairman: I want first to apologize to the Ontario Human Rights Commission. Please do not appeal to yourselves that you have been slighted in any way. We got a little backed up this morning.

We have Canon Borden Purcell and Tim Armstrong. Gentlemen, would you introduce the other people you have with you today and, if they want to answer a question or something, for the purposes of Hansard, would you ask them to give their names so we can get them on the record, the spellings and all that?

I should explain to you that what this committee does is to review agencies of the government. Essentially we are looking to see whether they meet an original mandate and whether there is a need to adjust some legislation. We want to hear the good things you are doing and the problems you are having. We have a staff report, which has basic research around that; when you have finished whatever opening remarks you want to make, I will go through those questions. Then the members will have a chance to discuss it with you.

We like to think of ourselves as an opportunity for an agency to come before a committee of the Legislature and tell us what it is doing, what is right and what is wrong about what is happening in its field, problems it is encountering, improvements that could be made, how the agency is functioning. It is then our job to judge whether it is coming close to the mark that was originally set for it, whether there is still a role and a purpose for this agency and whether we can do some things that would make it work a bit better.

Of course, we bring our personal biases to all this. If we have had contact with any agency and it did not work well, you are going to see some of that come out of the committee members.

To begin the proceedings we normally invite you to make any opening remarks you want to orient the committee. With some other agencies in this period of review we have had the opportunity to go and see facilities, but the human rights commission is essentially not one that operates stockyards.

We would like to open it up for you and, if there are any remarks that any of you would care to make, we would like to give you the opportunity to put them on the record for starters.

Mr. Armstrong: Maybe to introduce the proceedings very briefly, I am here out of courtesy to the committee and certainly not to make an opening statement of any substance. I simply want to make it clear that since one of the issues that may arise is the relationship of the commission to the ministry, I am here to answer any questions that may arise.

I think you know everybody at the table, but on my immediate left is the chairman, Canon Purcell; to his left is the race relations commissioner, Dr. Ubale; and on my right is the executive director, George Brown.

Canon Purcell has an opening statement to make, I believe, and then we will be available for questions.

ONTARIO HUMAN RIGHTS COMMISSION

Canon Purcell: I have a fairly extensive opening statement. I would like to read it because the commission is quite a complex agency and because we perhaps need to look a little at the historical perspective and at the implications of the new human rights legislation that was enacted two or three years ago.

I am much more comfortable speaking off the cuff, because when I went to seminary some 30 years ago I had to preach my very first sermon to a group of colleagues. I had an old Scottish professor. I laboured over this sermon, wrote it out and read it very carefully. Afterwards he said to me: "Mr. Purcell, I have three things to say to you about your sermon. First of all, you read it. Second, you read it poorly. And third, it was not worth reading." So I am a little reluctant to proceed on this, lest you feel the same. But I think we have an important story to tell and I am pleased to be here to share some of my views with you.

The history of human rights in Ontario has been an ever-constant struggle for the dignity and rights of its citizens. It is a history filled both with memories of discrimination as well as significant reminders of the constructive, inspirational steps taken to forward our province's goal of equality of opportunity and protection of human rights for the people of Ontario.

Ontario can pride itself on being the first jurisdiction in Canada to give formal and public recognition to the moral, social and economic consequences of discrimination by establishing the Ontario Human Rights Commission and enacting a comprehensive Human Rights Code in 1962.

Throughout the 1960s and early 1970s, new human rights issues were emerging, and resulting code amendments incorporated protection from discrimination on the basis of age, sex and marital status. A provision for special programs was added to allow for voluntary affirmative action under the commission's approval.

In 1977 and 1978, the commission produced a landmark finding in this report called Life Together, which became the basis of the new human rights legislation. The greatly expanded and strengthened Human Rights Code was enacted in June 1982, in a climate of considerable controversy as well as fiscal constraint. It would just happen to be my luck to come on as chairman just as the new code was being enacted, while at the same time the whole of North America, Canada and Ontario were experiencing what I guess was referred to as a recession and fiscal restraints were put on the whole of the government and government agencies.

However, it was my view that I wanted to get out and sell the code, to talk about it, and I made a pledge to travel the province far and wide. I took as my motto a takeoff on that old television show, Have Gun, Will Travel. I simply said, "Have code, will travel," and set out for three years to reach every possible person. Even though I am not a Rotarian, I had full attendance at Rotary Clubs around the province.

The code has primacy, as you know, over all other relevant provincial legislation in Ontario and the commission is dedicated to two overriding objectives. The first is to make secure in law the inalienable rights of every person in this province. The second is to create a climate of understanding and mutual respect, so that each and every person will be afforded equal opportunity to contribute his or her maximum to the economic and social enrichment of our whole community.

You are all familiar with the areas of protection under the code and how we expanded it to include sexual harassment, receipt of public assistance in accommodation and both mental and physical handicaps. The new code has incorporated provisions also for reconsideration, which I think is to safeguard and to ensure administrative fairness. This is a very important part of the new code, but albeit a very time-consuming dimension.

The role and demands of advocacy groups on behalf of their

constituents have had an increasing impact on the commission's functioning, as awareness of the provisions and principles of the code and expectations regarding human rights and responsibilities have heightened. As you can appreciate, all high-profile public service agencies with a seemingly controversial mandate are subject to community advocacy, and responding to and dealing with these concerns is a decidedly difficult task.

Given the general expansion of human rights legislation, the case work process has become increasingly litigious since the 1970s, making a dramatic change from the former and almost exclusively human relations atmosphere. There now exists a vigorous legal infrastructure that has introduced new complexities into the process and tends to lengthen the time it takes to settle a case.

I would like to say something about proactive initiatives. The commission has recently undertaken a number of proactive initiatives in an attempt to effectively fulfil our mandate.

With respect to its administrative structure, the race relations division, under the capable leadership of Dr. Ubale, was established in 1979 to inquire into and mediate community tensions, promote racial harmony and eliminate racial intolerance in the work place and in the community.

Our conciliation and compliance branch was extensively reorganized in 1984 to more effectively and more efficiently respond to the increasing discriminatory concerns being raised in all areas of the province, and particularly in Metro Toronto, which has seen increased racial tension in the last few years.

The application of human rights legislation requires a skilful blending of legal techniques and education in the pursuit of social justice. The central aim of our procedures is conciliation and an amicable resolution, rather than retribution. It is quite a different style than one that lends itself to seeking \$3-million, \$4-million and \$10-million settlements. It is a different approach altogether. A resolution worked out in good faith by the parties to a complaint is a necessary first step in the education process. When conciliation fails, however, and the evidence warrants it, the code provides for the appointment of a board of inquiry.

It is important to say something here about the board. For 20-odd years under the Minister of Labour, when the commission recommended to the minister that a board be appointed, I am not aware in 20-odd years of the minister interfering in any way with proceeding with a board. There was a good arm's-length relationship from the ministry, but in the new code, a very interesting amendment was made where it said that when the commission recommends to the Minister of Labour to appoint a board then he must appoint it.

That was very helpful one time in New York at the United Nations, when I was accused by the Soviet Union of just being a tool of the government--they ought to know about those things--I simply pointed out this part of the code where I said that when we

recommend a board, the minister must appoint one.

It is interesting that in my three years as chairman we doubled our boards of inquiry from about 20 to more than 40. This is partly because we are not afraid to go to boards and also it fits in with the work load we have experienced in the last two or three years.

10:40 a.m.

The commission often requests a board to test an important principle. The legislation is one thing; giving it flesh, blood and soul is another thing. Back in 1978, when we really did not have jurisdiction for sexual harassment, we took a case under the rubric of sex to a board, and that resulted in a landmark decision saying that we could take sexual harassment cases. From that day to this, more than 600 sexual harassment cases have been resolved by the commission. It is a very important part of our work.

Other recent decisions which have had major impact include, as you saw a couple of weeks ago, drivers' insurance premiums based on sex, age or marital status are discriminatory. This is under appeal so we are not able to comment. That was public knowledge at the time.

A major employer agreed to accommodate an employee handicapped by a back ailment. That was a settlement with the Liquor Control Board of Ontario which came right in the middle of a board hearing. Sometimes you have to go right to the line to get people to see the error of their ways.

An affirmative action program was instituted by an employer to increase the employment of women in nontraditional jobs. That was Briggs versus National Steel Car in Hamilton. That was a very important decision where women entered into nontraditional jobs.

A company recruiting in Ontario for a project overseas was found to have discriminated against a black applicant.

A major company was found liable for the sexual harassment of six female employees. As you remember that went about 36 days. This case involves Commodore Business Machines, one of the major companies in the world in this field. Sometimes the commission is accused of not taking on the big boys, but we do not worry about that. If we feel that discrimination has taken place, we will proceed with a board.

Another case that is now under appeal and cannot be discussed was the first one under handicap. It was Cameron versus Nelgor Nursing Home, where the board ruled that the refusal to employ a woman with an impaired hand was discriminatory because the employer did not assess her ability to perform the essential duties of the job. These are all important board decisions.

Two hundred and forty seven boards have been held since 1962, of which 41 dealt with the government of Ontario or institutions funded by the government. That is another criticism sometimes made against us, that we do not take on the government

or government agencies.

The enacting of the Human Rights Code in 1981 and the enforcement of its new provisions resulted in a doubling of our complaint volume. We have gone from about 800 cases to about 1,600 cases since the new code. That is something we anticipated but it was a little longer materializing than we expected. We thought this might happen in the first six months. It has been gradual and a lot of it has come under the area of handicap, which is now the largest area of complaints. That is new under the new code.

Prior to 1981 and 1982, the commission had been successful in reducing its work load from about 1,000 active cases in 1981 to about 700 in 1982. However, the bad news is that the high volume of complaints since the addition of the new grounds of protection, the increasing complexity of the cases and the size and the problems of our population, have contributed to a high volume of active cases, more than 1,500 at March 1985.

Through various streamlining methods, including our rapid case processing system, the average time of case completion was reduced by 23 per cent in the period of 1981-82 to 1984-85 and the number of cases closed within six months of filing has increased from about 50 per cent to nearly 60 per cent.

A corresponding decrease took place in the percentage of cases taking more than a year to resolve. Such cases comprised 35 per cent of the cases closed in 1982-83 and 21 per cent in 1984-85. We can discuss those matters a little later.

Fiscal settlements involved monetary compensation of nearly \$600,000 in 1984-85 for 272 complainants. There were offers of jobs or consideration for the next-available jobs for 323 complainants; the institution of remedial policies and procedures in 474 respondent organizations; and special affirmative action programs which totalled 54 in the period in the last three years.

The general public is seldom made aware of these high quality and satisfactory settlements because of the confidential nature of the conciliation process and as part of a written agreement between the parties. It is only the boards of inquiry that hit the headlines.

I suggested a little earlier that discrimination on the basis of handicap, protected for the first time, represents our largest and fastest-growing complaint area. About 27 per cent of our cases fall in this category.

Thus the commission established a unit for the handicapped in 1982 to receive and provide specialized expertise in human rights matters relating to physical and mental handicap. The problem here is that the person with the handicap says he or she can do the job, the employer says, "No, you cannot." We have to try to bring those very divergent views together. Sometimes the person with the handicap may have exaggerated views of what one can do, but quite often and in most of the cases we deal with the people are quite capable. There is a residual attitude there against handicapped persons. People even yell at the blind

thinking they are also deaf. It is a very subtle, difficult area.

I come from eastern Ontario. I do not want to get in trouble with Mr. Sterling and others from eastern Ontario, but it was not long ago that handicapped persons were kept up in the back bedroom. This may have been true in other parts of the province. They were not allowed to get out or participate. The interesting thing now is that handicapped persons want to participate fully and completely, and rightly so, in all aspects of our society.

The second and third highest categories among cases received are complaints of discrimination because of race and sex. Race takes about 21 per cent of our case load and sex and sexual harassment, 16 per cent.

Blatant and deliberate discrimination against individuals has been greatly reduced but there is a much more subtle and sophisticated discrimination going on out there in our society. This is something that often makes it very difficult for us to put a finger on and to resolve.

10:50 a.m.

The number of complaints alleging constructive discrimination under section 10 increased from 44 to 70 in the last year. In dealing with such complaints, the task is to identify the structural features that operate to exclude certain groups from equal employment opportunities, to dismantle them and provide suitable, fair and reasonable remedies. Weight and height is a prime example. The police had exaggerated views of the height and weight needed to be a police officer, and we had to fight that. We are most delighted to say that finally all short people can apply now for the police.

Mr. Sterling: Why is everyone looking over here?

Canon Purcell: Now our big fight is with the fire department.

Mr. Mancini: That would be help for the skinny guys.

Canon Purcell: Affirmative action is now increasingly used as a remedy for systemic discrimination. Many employers have come to acknowledge that properly designed and administered special programs can create a climate of equality of opportunity that supports efforts to break down the structural and organizational barriers that sustain discriminatory employment practices, but it is a long hard fight.

Creative remedies for complaints of racial harassment and racial discrimination include the establishment of management-worker, race relations or landlord-tenant committees which develop grievance channels and mechanisms to resolve racial problems.

I would like to say something about public education. I think it was Walter Tarnopolsky who said the Ontario commission is

a unique blend of education and enforcement. We do try, and one of the gifts I felt I could bring to the commission was to try to educate the public in the important concept that following the human rights legislation makes good sense. It helps to reduce tension in the work place, in our communities and in our cities. It just makes for a better place to live. People live in respect and tolerance of one another.

The commission regularly holds consultations and participates in educational events. We work with unions, women's groups, religious education institutions, racial and ethnic communities, police, government, social service, health care and associations of the handicapped. You name it, and we are involved in some kind of educational process.

The commissioners and I participated in well over 1,000 events in the last couple of years. In addition, they were frequently interviewed by the print, broadcast and cable media throughout our province, including the French-language and ethnic press.

Commission staff conducted more than 3,000 seminars and public education activities over the last three years and distributed more than 1.25 million human rights publications. In addition, we have responded to 140,000 inquiries from the public in the last three years.

Last year the vice-chairman, Marie Marchand, and I travelled throughout northern Ontario as part of the commission's public education initiative. As I said earlier, I travelled throughout the eastern and southwestern and all other parts of the province.

In February 1985, the commission hosted a one-day conference, entitled The Merit Principle in Action, attended by 125 senior executives of major Ontario-based organizations. The purpose of this highly successful conference was to provide a forum for the commission and the private sector to engage in dialogue on the topic of equal opportunity in employment. The impression I had was that some of them said, "We do not altogether care for human rights legislation," or government interference, as they referred to it. But they said, "It is here to stay, so we might just as well get on with it," and I said, "Precisely."

In a continuing effort to open dialogue with communities across Ontario, the commission held a consultation in London. We try to go to different parts, and this is always very well received. People outside of Toronto think Ontario begins and ends in Toronto, and they are always glad to find we understand that it ain't necessarily so.

I would like to say something about our international obligations because this is very much a part of our mandate. It is interesting that the preamble of the code starts right off by saying: "Whereas recognition of the inherent dignity and the equal and inalienable rights of all members of the human family is the foundation of freedom, justice and peace in the world and is in accord with the Universal Declaration of Human Rights as proclaimed by the United Nations."

We are not an island. As we learned the other day, Ontario has taken a very important initiative to ban South African wines and spirits from our liquor stores. That sends an important message that the regime and that kind of racial policy and discrimination are unacceptable. It is important for us to proclaim December 10 as Human Rights Day and to encourage it. We have some very exciting programs across the province in relation to December 10 as Human Rights Day to draw attention to these international obligations which Canada has signed and which Canada must honour.

Human rights is a prime issue, as I say, the world over. Our sensitivity to human rights cannot take place in isolation to developments around the world. The international convention on the elimination of all forms of racial discrimination was adopted and ratified by the UN General Assembly in 1965 and Ontario was a signatory to this convention. I was a part of a Canadian delegation to speak at the United Nations and that is where I was challenged by the Soviet delegate.

I would like to say a little bit about a visit I made with the Honourable Robert Nixon to the Soviet Union a little over a year ago, when we visited refusenik communities in Moscow, Leningrad and Riga. Refuseniks are Jewish people who have applied to leave the Soviet Union and have been refused, often for what seems to be no legitimate reason whatsoever. The litany of human tragedy that we were a witness to told only a tiny part of the story of the increasing number of Jews and Christians who wish to leave the USSR.

We returned from our trip with the conviction that we in Canada must insist that all nations that have failed their human rights obligations carry out their part to guarantee the rights to which they agreed when they signed the Helsinki treaty. Out of that has come an opportunity for me to speak around the province in Jewish temples and synagogues, speaking about human rights in our province and the rise of anti-Semitism. It can happen in Alberta and it can happen here. We have had the Zundel case and we must be ever vigilant to stamp out all forms of anti-Semitism.

In November 1984 I was one of four delegates to the international seminar on human rights and national sovereignty held in Eisenach, East Germany. This was a preparation for the Helsinki meeting on human rights that was held in Ottawa a couple of months ago.

While I have mentioned but a few examples, it is particularly gratifying with respect to the commission's work to hear how positively and progressively our commission is regarded within the domestic and international human rights communities. In my capacity as chairman of the commission, I have hosted a number of international officials and visitors, journalists who wished to exchange insights and ideas based on their knowledge of us.

11 a.m.

Representatives from Europe, Asia, Africa, the Middle East, South America, United States, Great Britain, Japan, Australia, New Zealand and Bermuda have sought our counsel with respect to procedural and ideological approaches and discussions regarding human rights.

The commission forms part of and holds membership in a network of human rights agencies, both on the national and international levels. We participate annually in conferences held by the International Association of Official Human Rights Agencies. Our race relations division commissioner, Dr. Bhausaheb Ubale, is the first Canadian to hold an executive position on this international board.

The commission is also actively involved in the Canadian Association of Statutory Human Rights Agencies, of which I am currently vice-president and, since its inception, in the continuing federal-provincial-territorial committee of officials responsible for human rights, which meets in Ottawa next week. Both the Minister of Labour (Mr. Wrye) and the Attorney General (Mr. Scott) will be representing the government of Ontario at that time, speaking on human rights issues.

It is my hope as vice-president of CASHRA that in 1987, when the Ontario commission celebrates its 25th anniversary, I will be president of CASHRA and we will be able to host all the human rights agencies from across Canada and celebrate our 25th anniversary at that time.

I would like to say a little more about the race relations division. As I mentioned, it serves to address incidents or conditions leading to racial, ethnic or religious tension or conflict. The division staff encourages and co-ordinates programs to reduce and prevent community problems based on race, ethnicity or creed and assists public or private agencies and organizations to develop programs to alleviate conflicts.

I have a long list of initiatives that the race relations division has participated in. Perhaps the best thing would be to open that up for discussion and let Dr. Ubale tell a very impressive story of the work of his division.

I would like to close in the area of future initiatives. As indicated earlier, systemic discrimination is increasingly manifested in the complex interaction of seemingly neutral policies and practices that affect the opportunities of minorities, women and persons with handicaps. On the surface, it does not look as though there is discrimination, but there are built-in policies that tend to discriminate against certain minority groups.

To deal effectively with such discrimination, the commission urges the creation of a systemic discrimination unit. We have the race relations division and a special group concerned with handicap problems and handicapped persons. We need to have someone highly skilled to deal with this very serious problem of systemic discrimination in the work place so that we can respond to the complaints we are finding increasingly in this area.

The commission also requires resources to enable it to monitor and follow up case settlements. There was a very important decision against the Liquor Control Board of Ontario about the hiring and promotion of women, but these things take a lot of follow-up. If you are not there following up and reminding people, sometimes they do not always do as they should. This is a serious problem.

The provisions of the new code have engendered a rapidly growing number of requests for public education. This, as I say, is so terribly important. There has been an upsurge in the number of requests from community groups, so we want to strengthen our whole educational process.

The commission is concerned that seven of our 15 regional offices are staffed by only one officer. Such allowances could be made perhaps in the past for these restrictions, but given current changing problems in our province, the additional grounds of protection, increased case load and requests for public education, this severe shortage is resulting in delays in documenting complaint allegations, conducting investigations and performing educational race relations functions.

In recognition of the integral role and influence of the media in alerting, informing and sensitizing the public to the serious nature and the value of human rights, I plan a major conference with the print, broadcast and television media early next year. This will constitute one of our major initiatives, like the one with the business community this year.

The past 23 years have seen great strides made in the field of human rights. Despite our relatively short history, I think the commission has much to be proud of. Many policies and practices regarding human rights that we now take for granted were the result of hard work and the dedication over the years of the community, our staff and our commissioners.

I think the most important aspect of human rights is the goodwill and the assistance of the people of our province. Our co-operation and joint efforts can ensure that we in Ontario will become examples of the principles enshrined in the Universal Declaration of Human Rights, the Charter of Rights and Freedoms and our own Human Rights Code and that we can work together to translate these ideals into a living reality.

With the strength derived from this input, the commission will continue to endeavour to administer and to enforce the spirit and the letter of the code with sensitivity and with wisdom and, I might add, with all the enthusiasm we can muster.

Mr. Chairman: Canon Purcell, you did read it, but you read it rather well and it was worth reading.

Canon Purcell: Thank you.

Mr. Chairman: As long as you do not try to take up a collection, you will be just fine.

Let me try to get on the record the questions from research, and then we already have some members who have some questions for you.

Like every other agency that deals with the public, and the members themselves are familiar with this, you are experiencing increased volume. What are you doing to try to expedite the complaints procedure to make it work more quickly, to make it work better and to be a more efficient organization?

Canon Purcell: I am going to turn that over to Mr. Brown because this is something he deals with morning, noon and night.

Mr. Brown: We are aware that the volume of cases over the years has increased. While we have developed systems internally to cope with it and to reduce the time it takes to process a case, we still realize that to go beyond a certain level we have to have more resources. We are now in the process of discussion with the ministry on this point, but we do realize that resources alone will not do the trick.

The public has become very sophisticated in its expectations of the commission over the years; I am sure you realize this. Because a human rights complaint, apart from its objective component, has within it a large component of emotion, each person who files a complaint wants it to be resolved the day it is filed. Of course, I am exaggerating a bit. What we have to do, because we do not have unlimited resources--we are operating in a time of constraint--is to put as serious a priority on each case as it seems to us to have.

For example, if somebody comes to us and says, "I applied for an apartment on Avenue Road this morning and I did not get that apartment," because of race, colour or sex or something like that, we give that case priority because that which the person sought is available there and then. It is the same with an employment case. If a person applies for a job today and comes to the commission and says the job is still open, we try to get it there and then, immediately.

About 20 per cent of all complaints for this fiscal year have come under that sort of monitoring. We realize we cannot do all complaints that way before we must adopt the process to harmonize with the amount of resources we do have. But it is something we have under constant review and the matter, as I said, is before the ministry for discussion now.

11:10 a.m.

Mr. Chairman: Is the answer simply more staff?

Mr. Brown: We do not think so, because we are looking internally at how these cases are processed. We are looking at bottlenecks in the system. At the same time people are asking for more of what is called discovery before the cases are put up before the commission. They want copies of all the information. This information has to be reviewed before the final decision is made by the commission.

All these demands on the system add to the time it takes to resolve a case finally. We try to see how we can harmonize it.

Mr. Chairman: You have had some kind of operational review and organization study. Have we seen any effects of that yet?

Mr. Brown: Yes.

Mr. Chairman: So there are different attempts to try to make a system work a little faster, better and more precise.

Mr. Brown: Yes; continually.

Canon Purcell: It is interesting that we have increased the number of cases that are settled within six months. We have doubled the number of the cases that are settled in six months from more than 20 per cent to more than 50 per cent. This has come about because of our rapid case process, which is very encouraging.

The sad part of it is there are others that are becoming more complicated and that get bogged down. Those are the ones we are worried about. We are pleased with getting cases settled within six months, which is something we feel strongly about. It is the ones that get over that, which sometimes get very complicated and get caught up, that worry us very much.

Mr. Chairman: Such eminent journalists as Claire Hoy have taken crayon in hand and suggested you have become some kind of thought police who on the one hand advocate changes and then on the other hand adjudicate whether the changes occurred. What about that conflict? Is that a major problem for you? There is a little difficulty in having you involved in an advocacy program for change as well as in an adjudicating process whereby you assess whether some discrimination has occurred.

Canon Purcell: I think that seems to be more of a personal concern with Mr. Hoy than it does with most people.

Mr. Chairman: I have never heard it better put.

Canon Purcell: As I say, my reception with the business community, the community at large and so on is not in any major conflict. It is terribly important that these two roles complement one another. Not only can you go out and give your message, but you can also say, "If you do not take steps to put your own house in order, there will be complaints and then we will be knocking at the door."

It is a great privilege for me after 30 years of being a clergyman. I could give my message, but I did not have very much clout. Now I have both and it is really great.

Mr. Chairman: One final question. Is there any means at our disposal to measure how effective things such as the remedial and educational programs are? Is there any way of detecting whether those work, do any good, change attitudes or change realities in the work place? Do we have any way of measuring that?

Mr. Brown: One year we were asked the question by Management Board. Through the research branch of the Ministry of Labour, we were able to design questions to depict the utility of that approach. Canadian Gallup Poll, I think, did a survey of that question. We were quite pleased to know the results were very positive. That was about five or six years ago. We have not done one since, but the technique is available for us to do more of it.

Mr. Chairman: But we do not use that regularly now. One of the things that is of concern to us is that a number of members of this committee, for example, share the belief that this is a good thing to do. We all think it is a good thing to do; we are all going to do it; we are not quite sure whether it works or not, and we are searching for means of trying to measure that.

If we have a human rights commission with a strong educational program, we would all like to advocate that for a long time. It sure would be a comforting thought if we had some measuring stick, something that would tell us, "If you do this kind of thing for a lengthy time, this will be the change in public attitude, and we can measure that change by means of a poll," or whatever. You say we have done a limited amount of that. We are aware the tool is there, but we do not use it very often.

Mr. Brown: Right. Of course, we supplement that locally. When we go out to give seminars, community discussions or public education in a local area, we get feedback from our target community. It is not as elaborate or as scientific as the Gallup situation.

Mr. Chairman: I have lots of committee members here who want to ask questions. I had a request that you introduce the other staff people you have here. That might be a good idea so that if members of the committee have a specific question, we would know who is here and who is not. I wonder if there is someone who could do that.

Mr. Brown: Mr. Chairman, I will start on the commission side. This is Dr. Samuel Ifejika, operations manager for the race relations division; Ms. Afroze Edwards, executive assistant to Dr. Ubale of the race relations division; Yan Lazor, legal counsel for the commission; Miss Jill Armstrong, program manager for the commission on policy; and Howard Jones, executive assistant to the chairman of the commission.

On this side are Ms. Cindy Morton, executive assistant to the deputy; and Ms. Christine Deacon, legal counsel to the policy division of the ministry.

Mr. Chairman: Do you have anybody else you would like to introduce? People walking by in the hall? Okay. We will start with Mr. McCaffrey.

Mr. McCaffrey: The questions could be endless, and other members have some things they are anxious to discuss. I will be brief, but I have three or four areas I want to mention.

Anybody can contribute to this, Canon Purcell, but would you

be kind enough to advise us as to the history of the relationship of the commission with the Ministry of Labour? Why that ministry? What I am getting at is whether you think you might be in a stronger, better, or different at least, position if you were affixed to another ministry. The Ministry of the Attorney General comes to mind.

Can you tell me a little bit about the history? Why the Ministry of Labour? Would you be better off, in your judgement, if you were somewhere else?

Canon Purcell: I do not know whether Mr. Armstrong would be a better person to try to describe historically how this came about. I have been on the commission for seven years. It has always been there; so I think it has worked rather well. We have this saying in Leeds county, "If it ain't broke, don't fix it." That is more or less where it is.

11:20 a.m.

Mr. Armstrong: We have the same saying in the Ministry of Labour.

It is a little more than a historical accident or a coincidence. As a matter of interest, it might be noted by the committee that although there is no uniformity across the country, we are not unique in having a human rights commission attached to the Ministry of Labour. That is the situation in New Brunswick, Newfoundland, Alberta and British Columbia as well as in our own province.

However, as you point out, some are attached to the Ministry of the Attorney General or the Ministry of Justice; those are in Manitoba, Saskatchewan and Prince Edward Island. Quebec's reporting relationship is directly to the National Assembly. The minister named in the code federally is the Minister of Justice, but there is some reporting relationship to Parliament that is akin to the situation in Quebec. Interestingly, in Nova Scotia the reporting relationship is through the Minister of Consumer and Commercial Relations, which is a unique situation.

As to the rationale--I am not now making a territorial imperative case or a case for retention; I hope these remarks are taken in the neutral spirit in which they are intended, because I know you can make arguments on both sides--the fact of the matter is that more than 80 per cent of the complaints received by the commission are complaints related to employment discrimination.

Those who would contend that the commission is properly placed would argue that employment laws, which are of course fundamental to any Ministry of Labour's mandate, include the human rights commission, especially in the light of the fact that the preponderance of the complaints relate to the employment setting.

Another point is that operationally the human rights commission has a great deal to do with other operating branches of the ministry. I am thinking in particular of employment standards, where often a complaint will involve aspects of employment

standards law, and sometimes industrial relations, where the complaint will involve the relationship of the employer with its bargaining agent. Relationships with the ministry's handicapped employment program become increasingly important in the light of the developing emphasis on discrimination in employment, and quite often in recent months and years the occupational health and safety division.

There are functional, operational connections that make the present placement rational, although this is not to say that arguments cannot be advanced on the other side.

A final argument--and there are more than these, but you do not want a long dissertation--has to do with the interests of the organized labour movement. It is fair to say--I would hope the chairman would agree, or perhaps he would disagree with this--that organized labour regards the human rights area as an important area in its own mandate. It also regards the Ministry of Labour--correctly, I believe--as its window on government. Therefore, I can see some rationale for maintaining that kind of nexus and reinforcing the view of organized labour that its ministry, if you like, is a ministry that has been given the mandate to carry out these important functions.

In that connection I simply remind committee members that the federation recently carried out a very effective anti-race-discrimination campaign called Campaign Against Racism in the Work Place and worked closely with the commission members and the race relations division in carrying that out.

For this cluster of reasons, the placement makes a good deal of sense. It is true that with the enactment of the Charter of Rights, the Ministry of the Attorney General has an interest in seeing how the charter may be reconciled with these important remedial statutes, such as the Human Rights Code; but the Human Rights Code is only one of many remedial statutes we are responsible for. If one were to use as the touchstone of where programs ought to be located and their relationship with the Charter, then the Attorney General's mandate would be expanded by a great deal more than simply the addition of the human rights commission.

I have tried to say all that in a neutral way. It may not have come out the way it was intended to be.

Canon Purcell: Could I just add to that? The commission at that time felt it would be better if it had special status; rather than be attached to any one specific ministry, it should report to the Legislature through the Premier or through some designated person. It should report directly to the Legislature so that the perception of arm's-length independence is maintained. That is another way of looking at it.

Mr. Brown: The question is historically intriguing. When legislation was first passed in the province having to do with anti-discrimination laws, they were administered as a standard. Back in the 1950s, employment standard officers enforced whatever legislation was on the books at the time dealing with

discrimination. Discrimination in employment and public facilities were the two crucial areas. Anybody will tell you that if one is discriminated against in employment, the other things are of no moment. You cannot afford an apartment. You cannot afford to go into a hotel and use the various other amenities in the hotel.

We have always thought the employment situation with respect to discrimination is, above all, the most important discriminatory element in the society that needs attention. By virtue of the commission being in the Ministry of Labour over the years, this aspect has always gained attention.

Another argument: I look at the model we use in resolving cases of discrimination; the conciliation model was copied from that which is used in the labour arena. We have found over the years that dealing with the dynamics of discrimination and the circumstantial nature of the evidence is difficult. Nobody admits to discrimination. I have not found it. I have been around the commission for about 15 or 16 years and I have never met a respondent who will admit to discriminating against anybody.

You have to use this elaborate system in dealing with the circumstantial aspect. As the chairman has emphasized, a large component of the investigation has the educational component built into it. If you were to use any other model, you would lose that. You would probably have rough justice, but you would be losing the whole dynamics of the improvement of life for those people who are protected under the code.

Dr. Ubale: When I came on the commission, Life Together was presented to the commission. The commission went on record at that time endorsing the concept of Life Together. It would be inconsistent of me now to change my views in the sense that it is immaterial which minister it reports to as long as it reports to a minister after the committee. Again, the characteristic would change depending upon the characteristic of the complaint you receive.

11:30 a.m.

Mr. McCaffrey: I have a last, two-part question that is related. It has to do with Life Together and the quote about reporting to the assembly. That is the experience in Quebec. We were chatting amongst ourselves here. I have no vested interest in this. Do you think that is a good experience and would you perhaps recommend such a change in the future? It gives you an autonomous position, which there is no question you have now, but in the perception of the public it would help. I think of the Ombudsman. I am just a layman in this but can you see that, and the experience in Quebec, as a good, different, possibly new reporting system for the commission?

Canon Purcell: It is interesting that Saskatchewan is moving in that direction. They now report to the Attorney General but are in the process of moving in this direction. There is even a perception that the Charter of Rights and Freedoms may demand that we seem to be in this independent position. So that may be

the direction in which we should be moving.

Mr. McCaffrey: My last question in this area--

Canon Purcell: If we have to move.

Mr. McCaffrey: If we have to move. I understand. If it is not broken and so forth; the background there was helpful.

Notwithstanding all that, there is the nature of your mandate and the importance of your work. You are dealing consistently, and perhaps even more so in the future, with the office of the Attorney General. What formal relationship do you now have, given where you are situated, with the office of the Attorney General?

Canon Purcell: In race relations, under the former government the Attorney General was the chairman of the cabinet committee on race relations. I received a memo the other day that in the new setup the new Attorney General (Mr. Scott) will be the chairman of the cabinet committee on race relations. There is a good working relationship there.

The present Attorney General has a minister responsible for women's rights, which is an area we work in constantly. This is why, when we go to Ottawa next week to the federal-provincial-territorial conference, we will take the Attorney General with us, as well as the Minister of Labour (Mr. Wrye).

In former days we had the Attorney General, then Mr. Welch, because he was responsible for women's rights, and the Minister of Labour. We made quite an impressive delegation. There is this working relationship. The Attorney General assists in appointing legal advisers for boards of inquiry. There is a constant working relationship between the two groups. I do not know whether George or Tim have any other comments about that. I do not think that has ever been a problem. The Attorney General also sends someone to all our commission meetings in an advisory role.

Mr. McCaffrey: Thank you very much.

The chairman's last question dealt with something I would like to touch on and that is how we measure society's attitudes. How are we, the government, society and the human rights commission doing? The specific phrase that is borrowed from the legislation is "to promote a climate of mutual understanding and respect."

I have all kinds of thoughtful people in my own constituency who say that the way the former Premier announced the extension of funding in the Roman Catholic school system and the ensuing debate or lack of debate or the ensuing fallout--I will leave it at that--has been one of the most disruptive issues in our province in that it has raised some of the old blemishes in the history of our great province.

I suspect there is something in what they are saying. Are

you people, who are on the front line and duly professionally occupied with these kinds of concerns, aware of any fallout from the way this issue has been handled? How do you measure it and, if you see problems, what can we do about it?

Canon Purcell: There is certainly a revival of religious tension and that has nothing to do with separate school funding or former Premier Davis. This is something that is very pervasive. There are a lot of things involved in it. One of the most contentious issues in our society today is abortion. That often has religious connotations.

You get the Reverend Jerry Falwell going to South Africa and coming home and calling Desmond Tutu a phoney. Here you have a man of the gospel, supposedly, going there and coming home and talking about someone who many of us feel is one of our great heroes and referring to him as a phoney. The fallout from that kind of thing is where a lot of this sort of religious tension is coming from.

Mr. McCaffrey: It is like Garnsworthy, with respect, calling Davis a dictator. I say that to you as a fellow Anglican.

Canon Purcell: Certainly. Yes. I would just as soon not get into that. I belong to the diocese of Ottawa. They are worried about this and I am worried about it. I have plans to bring together all the religious leaders of our province for a meeting this fall. It is funny, the visiting Archbishop of Canterbury said the other day that if religious leaders cannot get together, if they cannot be civil to one another and they cannot set some kind of example, what hope is there for the rest of us.

Religious feelings go very deep into the heart and soul of people. They feel strongly about it. There was a thing in the paper this morning about those awful comic books. Some guy is selling them in Nova Scotia--we have them here too--anti-Roman Catholic comic books. They are being sold and promoted by other religious groups, so we have a problem on our hands.

All I can say is that the separate school funding does not help any. It is a serious problem. What I need most of all is the full help and co-operation of the religious leaders to set an example, not to be stirring up old controversies. I tell them in no uncertain terms how disappointed I often am in the leadership they are giving. I do not know whether or not I will have a job when I get out of this one.

Mr. Chairman: You do have privilege and you cannot be sued.

Mr. Mancini: May I add just one word under the "resolution, not retribution" mandate or objective? What do you with some evil son of a bitch such as Zundel? What did you try to do, if anything?

Mr. Chairman: That is unparliamentary, "son of a bitch."

Mr. Mancini: A word or two slipped in there but you got the drift of the question.

Canon Purcell: That is a whole area where we got a report, the Lawlor hate-literature report called Defamation.

Mr. Mancini: Which was not well--

Canon Purcell: We are not really in a position to deal with that kind of thing now. It is a pretty delicate situation. We do not have very much say in this area of publications. As a matter of fact, this code is a little weaker in this area than the old code was and we are disappointed with that.

Mr. Mancini: Given the experience of Zundel--and God forbid that sort of thing might happen again--and the things you were not able to do--and it was not your fault--and the Lawlor commission, which was roundly criticized in that area, at least by a lot of the Jewish leadership with whom I had an opportunity to meet, just off the record, this is casual, we are just chatting amongst ourselves, what would you recommend be done?

Mr. Chairman: I will warn you before you begin, this is not off the record.

Mr. McCaffrey: No, it is not off the record.

Mr. Mancini: This is hardly off the record, but you get the drift of the question.

11:40 a.m.

Canon Purcell: Where does freedom of speech and freedom of expression stop and the promotion of hatred begin? It is a very delicate situation. My own personal background has been one of pretty open opportunity for people to say what they want to say, because if they do not, they are going to put it underground anyway. At the same time, I have also become very much aware of something else. The Lawlor report pointed out that old saying we had, "Sticks and stones may break my bones, but names will never hurt me." However, they do. Name-calling and this kind of innuendo and verbal abuse are damaging to people and seriously damaging.

There has to be some way. When the Ku Klux Klan was trying to make a comeback here two or three years ago and they were distributing literature on high school campuses, I was asked to go on and debate with them. I did not, on the grounds that if I did, I would only give them a platform. As far as I am concerned, they are as dead as a doornail at the present time.

There were differences of opinion about Zundel. Should he have had all that publicity? Nobody but a handful of people had ever heard of him. Now he is a household word. It is very difficult, and I do not know the answer to the question of where freedom of expression leaves off and the spreading of hatred begins. I am not sure, to be quite honest with you.

Mr. McCaffrey: I respect what you are saying, but to be very candid, you have no recommendation that you would give us, as members of the assembly, of ways in which we might be able to help you deal with issues like these in the future? That is what we as

a committee would like to try to do.

Canon Purcell: All I can say is that the commission endorses Mr. Lawlor's report on hate literature, and we see that could be useful.

Mr. McCaffrey: Except that it left a gap, and the gap was Zundel. That is the gap where there is no--what is the word?--contrition, you have a rigid and evil person, and that falls between the clauses.

Dr. Ubale: As it stands, it can seem unfair. There is a lot of hate literature and hate propaganda generated against other people which cannot be covered by existing portions of the Criminal Code. People feel they are left out of the human rights commission. There is no provision to deal with hate literature. Therefore, as an interim measure, it would be desirable to have amendments to the Human Rights Code and implement some of the recommendations made by Mr. Lawlor, so at least a portion of the problem of the Zundel scare can be tackled by amendments to the Criminal Code. That would be the vehicle to go through.

As I said, a large number of other things happen every day. Go to the universities, walk on the streets, there is name-calling. It goes on, and it insults human dignity. There is nothing one can do. We receive a lot of hate literature in our office. We submit it to the Attorney General's office, and invariably we get a reply that one cannot prosecute; it does not warrant a prosecution under the Criminal Code.

Mr. Mancini: I have several points: What time are we going to adjourn, Mr. Chairman?

Mr. Chairman: I would like to break around 12 o'clock and then resume again at 2 p.m. We can run over a little bit; that is no problem.

Mr. Mancini: I will ask some of my questions now.

Mr. Chairman: We are in session all afternoon, so there is lots of time.

Mr. Mancini: Before I start my questions, I want to make a couple of comments about the Zundel matter and whether it should have been played the way it was, or whether a couple of years ago the Ombudsman should have gone to South Africa, or whether you should have debated the Ku Klux Klan and all that kind of stuff.

Democracy is wide open and free wheeling because we feel we can explain the benefits of democracy to such an extent that we would be willing to debate any person on any issue on whether we should have these freedoms. The job you have is similar to that. I am always amazed at why we decline to debate these people and to show them for what they are. We can append all kinds of names to them as to what they are, what they stand for and the cruelty they wish to impose on individuals and society as a whole.

I find it extremely contradictory that you would go to

Russia, a nation that denies just about every civil liberty a person can imagine, and spend time there and meet whoever you met there, maybe even government officials--but you did meet people from there--and I do not think I am not naïve enough to believe they have infiltrated every organization that is there. I find it very difficult to accept how you justify that and at the same time try to justify that you are unwilling to expose other people, meaning these other organizations that wish to take freedoms away and perpetrate on society a warped and wicked conception of what life should be.

That is my personal view and I have always had difficulty with how we explain that. Maybe you can help me out later on. However, we will not get caught up in that right now. Maybe later on we can discuss that. I will give you a couple of hours to think about it.

I want to refer directly to the researcher's report that was done for us on page 6, in which the researcher states that the commission had intervened in Windsor to diminish some hostilities resulting from a racial incident. I would like some details of that. Have you seen the researcher's report?

Dr. Ubale: No. Which report?

Mr. Mancini: I am referring to our researcher's report, which was prepared for us and states--I guess I will need help from our researcher--in paragraph 3, at the bottom, "In Windsor, it"--the human rights community relations team--"intervened to diminish hostilities resulting from a racial incident."

I repeat, in Windsor. I would like to know more about that.

Dr. Ubale: I do not know which incident it was.

Mr. Eichmanis: This would have been a year or so ago. It was in your last year's annual report.

Dr. Ubale: For example, in the Windsor school system, the Vietnamese children especially were racially attacked and there was a lot of name-calling. We had a series of meetings with the police and the school board. We had seminars and a one-day conference and, as a result of that, hostility against the Vietnamese children is diminished in the sense that there have been no more incidents reported. The school board became very vigilant about it. The Windsor police have been very vigilant about the whole thing.

Mr. Mancini: I see. It was an in-school situation.

Dr. Ubale: It was an in-school situation where they were attending classes. As they were walking, they were abused and attacked.

Mr. Mancini: I want to discuss with you a case that has been an albatross around the commission's neck for some time now. I refer to the Wei Fu case, which I was somewhat involved in myself by speaking at public gatherings and issuing statements in

my role as the critic for the Ministry of Labour a year or 18 months ago. I do not want to retry the incident here because the forum is not appropriate, but I just want to know--

Canon Purcell: As a matter of fact, it might be wise to note that it is under appeal, so I am not prepared to discuss the case and I am not sure that anybody else should.

11:50 a.m.

Mr. Mancini: Let us see if my questions would jeopardize the appeal. If you feel my questions would jeopardize the appeal, then you as the commissioner have the right to say so, and I think you would be doing your duty.

Mrs. Marland: May I raise a point of order? I do not know whether you do that in committee. Because I am new to the committee, I am new to the procedure.

Mr. Chairman: Do not use that old fall-back.

Mrs. Marland: The point of order I have is whether or not the mandate of this committee into the Ontario Human Rights Commission goes this far. Does our mandate cover the operation of the commission as a whole, in its entirety? This would involve getting details of the particular cases the commission has dealt with. Or is our mandate only to deal with the commission's general procedure and to make recommendations where there are gaps and help is needed?

I would like some guidance from you as to what is the mandate of the committee. If it is the latter, I would suggest it is out of order for us to get into individual cases. There are individual cases I would like to ask about as well, but I do not see that as the reason we are here.

Mr. Chairman: We have always taken the approach that while we are dealing in general with the operation of an agency, it is pretty difficult to avoid raising a particular issue or a particular case. In this case, you have made it clear to the committee that the matter is under appeal. That brings into question the amazing sub judice rule we have. It says a member is allowed to ask any question he or she wants as long as discretion is exercised. Those appearing before the committee can exercise their discretion and say it is before a court, under appeal, and they cannot talk about it.

Mr. Mancini will get a chance to ask his question, Canon Purcell will get a chance to say he can or cannot discuss that, and the chair will respect both persons. With regard to individual cases, we have tried not to delve into them to any great depth. However, members have raised cases they are familiar with and we have always accepted that as being part and parcel of the process. We are not here to argue the merits of a case, but we are here to question this agency and we will use examples we are familiar with.

Mr. Treleaven: Is there not a further caveat to that rule? After a witness pleads sub judice, is it not then up to the committee to determine how far to take the matter? Does the committee not decide whether to continue with it, to go in camera, to do many other things?

Mr. Chairman: Yes. We have lots of options at our disposal. He has not pleaded sub judice yet. I will listen very carefully when he does.

Mr. Mancini: The reason I bring up this case is that it received a great deal of attention from the public, the press and in the House and it also involved the government of Ontario. I do not intend to bring up a slew of individual complaints. I do not want to waste our time. I know the committee has lots of questions.

On the Wei Fu case, I want to understand the canon's position. When the original complaint was made and it was decided not to have a board of inquiry, why was a board of inquiry then held? Was it because of pressure from the community groups and the Legislature, or was it because of a review of the information that you had available? This was quite a celebrated case. We want to know what you react to. Do you react to public attention, or do you react to a specific set of guidelines which you would use for everybody?

Canon Purcell: We try to react with as much sensitivity as possible to all situations. We have a very elaborate form of review, and we are always open to any kind of new evidence. We are not interested as much in legal technicalities as we are in the human element. If the Ontario Human Rights Commission cannot be commissioned with soul and heart, then what commission can be?

We are always open to any kind of new information. When someone is hurt, we want to set it right. Our job is to make the person as much whole as he was before the incident happened. We try to restore people to their original wholeness. If you want to know the inside workings, we will do as much as we possibly can to see that justice is done and be seen to be done, and that is the human element. If it is suggested that we have in some way overlooked some information or that we have in some way not been fair, a board is one way to settle that.

This is not the first time we have had to go to a board to be the final arbitrator because sometimes we are accused of not being fair. In a situation where the perception persists, we simply go to a board and let its chairman, an independent person without any axe to grind, make an independent decision. We have done that on a number of occasions. This is no different from any other situation.

Mr. Mancini: Before I say I do not agree with you, let me ask the question in a different way. You have explained your autonomy and that you try to handle all the cases in the same manner. Would you not agree that there would not have been a board of inquiry if the community organizations and members of the Legislature had not repeatedly demanded a board of inquiry?

I am thinking of other situations where a person may not have been able to build up the support of community activists and organizations and members of the Legislature. Say we had a person working for Wackenhut security who was in circumstances similar to those in which Wei Fu found himself, that person would not have had a board of inquiry. If we can muster the support of community groups and elected officials and keep the pressure on, after a time you do relent and you have the board of inquiry. That is the point I am trying to get at.

I would like it to be so we would not have to do that. I would like it so the guidelines you work under would not require meetings all over the city and statements by leaders of parties and people in responsible positions saying they think you must have one. Looking at it from my vantage point--I cannot look at it from your vantage point because I am not in your seat--I saw a clear situation where the only reason we had a board of inquiry was all the community interest and activity that took place. That is my blunt question to you. Is that why we had a board of inquiry?

Canon Purcell: How else do you clear the air? We had made the decision and we thought we had made the right one. Then there was the community pressure and so on. We met with them. They asked to come and see me. There was the accusation that we were not being fair. How do you solve that? How would you solve that if you were chairman of the Ontario Human Rights Commission?

Mr. Mancini: How would you solve it for a person working for Wackenhut who was in similar circumstances but did not have this support?

12 noon

Canon Purcell: I have met with those people. They came and we talked it out. I think we are getting very close now to the area where the appeal is going to be jeopardized. I think we are trying to redo a situation--

Mr. Chairman: Let me help out here a little bit. I think there is an important process question that is being asked here, setting aside this particular case.

Let me rephrase it this way. What if an employee of the government of Ontario at Moosonee had an incident happen to him or her. That person has no access to Toronto media, no access to community groups and limited access to members of the Legislature, but is in difficult circumstances and is not happy with what your board was doing.

In one instance, you have answered the committee's questions. If a problem persists and people are not happy with the way it is being dealt with, you have a mechanism where the community says so or Mr. Mancini says so and you can deal with it. What if all those other elements are not present? What happens to the person in James Bay or Moosonee who may have had that kind of incident? How do you solve the problem there? No one may know and no one may care. No member of the Legislature may ever see that person, but the incident is just as real.

Canon Purcell: To try to answer that, if that person writes me a personal letter, I will write back and say, "We will go over it again and see what we can possibly do." In many cases there is just no case there at all. You cannot be irresponsible about boards either. A person can feel deeply crushed and hurt. Where there is no case whatsoever, I would not put that to a board. Where there is some measure of grey area, then let us go to a board and settle it.

Mr. Chairman: Mr. Brown, did you have a comment?

Mr. Brown: I think section 35 of the Human Rights Code is clear. It gives direction to the commission with respect to boards of inquiry. It says, "Where the commission fails to effect a settlement of the complaint and it appears to the commission that the procedure is appropriate and the evidence warrants an inquiry, the commission may request the minister to appoint a board of inquiry and refer the subject matter of the complaint to the board."

All complaints that are dismissed by the commission under the new code are subject to reconsideration if the complainant so requests of the commission. That request has to be accompanied by new evidence or matters that, in the view of the person, were not considered by the commission in the first instance. If the person avers that the investigation by the human rights officer was incomplete or that there were weaknesses not checked by the human rights officer, these ingredients are taken into consideration by the commission in deciding to reconsider the complaint.

The chairman has made reference to the fact that, using this procedure, the commission has reversed decisions of the board on dismissals upon the submission of new evidence and/or bringing to light of omissions or commissions by the officer.

Much has been made about this complaint. I think it was a media darling, so to speak. It was the first complaint that went to a board. The critic's mind should be disabused. Why this case went to the board, if I can add anything to what the chairman has said, was a question of credibility. The commission, upon the reconsideration, had a mountain of evidence before it and could not settle or decide to dismiss the complaint, in accordance with the code. It was the consensus of the commission that this is a case that should go to a board of inquiry because of the credibility issue. There were too many loose ends.

Mr. Chairman: I think the committee can appreciate there is a lot of subjective decision-making going on here, which is fine as long as there are checks and balances in the system. I think what Mr. Mancini has brought out is that we may have a system which works well if you live in Toronto where you have access to members, to media, and things like that, but if you are a native person in the northern part of Ontario, you do not have access to any of that stuff.

Mr. Brown: I think it would be remiss for the committee to believe that exists in reality. I do not think the commission

is guided, and the chairman can speak for himself, by the question of whether there is a lot of media attention. They have to look at the substance of the evidence. Then they look with respect to their mandate. If there is no evidence, court costs can be awarded against the commission if it were to take a frivolous complaint to a board of inquiry.

Canon Purcell: I tried to explain before that we have a lot of public pressure on a lot of cases. You do not have to be from Toronto to get it. You can get it from Moose Factory just as easily as you can get it from--

Mr. Newman: But do you get it?

Canon Purcell: Yes, we do get it and we get a lot of--if I may be allowed to say so--politicians getting into the act. I get letters--

Mr. Chairman: That is why we are here.

Canon Purcell: --and that is fine. Normally, I accept all that and I put it all in the hopper. We have to make decisions, and if we get what we feel is some new evidence or some things that we have not done properly, then I am more than willing to put it to an independent board.

I am suggesting that all the pressures in the world will not get me to change my mind if I feel we have made the right decision, and you have not come up with anything new, except just a rehash of the stuff that did not pass muster the first time around. I am not blown to and fro by community pressures or political pressures. The commission does not operate that way. I can assure you that in all circumstances that is the truth, and I am not normally given to not telling the truth.

Mr. Mancini: Unless you want to finish it up, I am going to be a few minutes.

Mr. Chairman: Okay, I will leave it up to you. If you want to finish this line of questioning, it is just after 12 and we could go to--

Mr. Mancini: I do not want to offend the other committee members. Our group can--

Mrs. Marland: Oh, you are not offending me. I have to see where we were going.

Mr. Chairman: Let me use the chairman's discretion and let us adjourn until two o'clock. Mr. Mancini has the floor and we will resume then. Thank you.

The committee recessed at 12:08 p.m.

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STANDING COMMITTEE ON PROCEDURAL AFFAIRS AND AGENCIES, BOARDS
AND COMMISSIONS

ONTARIO HUMAN RIGHTS COMMISSION

WEDNESDAY, SEPTEMBER 4, 1985

Afternoon sitting

STANDING COMMITTEE ON PROCEDURAL AFFAIRS AND AGENCIES,
BOARDS AND COMMISSIONS

CHAIRMAN: Breaugh, M. J. (Oshawa NDP)
VICE-CHAIRMAN: Mancini, R. (Essex South L)
Bossy, M. L. (Chatham-Kent L)
Marland, M. (Mississauga South PC)
McCaffrey, R. B. (Armourdale PC)
McClellan, R. A. (Bellwoods NDP)
Morin, G. E. (Carleton East L)
Newman, B. (Windsor-Walkerville L)
Sterling, N. W. (Carleton-Grenville PC)
Treleaven, R. L. (Oxford PC)
Warner, D. W. (Scarborough-Ellesmere NDP)

Substitution:
McKessock, R. (Grey L) for Mr. Morin

Clerk: Forsyth, S.

Staff:
Eichmanis, J., Research Officer, Legislative Research Service

From the Ministry of Labour:
Ignatieff, N., Special Adviser to the Deputy Minister

From the Ontario Human Rights Commission:
Brown, G. A., Executive Director
Ifejika, Dr. S. U., Manager of Operations, Race Relations Division
Purcell, Canon B., Chairman
Ubale, Dr. B., Commissioner for Race Relations

LEGISLATIVE ASSEMBLY OF ONTARIO

STANDING COMMITTEE ON PROCEDURAL AFFAIRS AND
AGENCIES, BOARDS AND COMMISSIONS

Wednesday, September 4, 1985

The committee resumed at 2:10 p.m. in room 228.

ONTARIO HUMAN RIGHTS COMMISSION
(continued)

Mr. Chairman: Okay we will begin. Since Mr. Mancini is not here, Mr. Treleaven is next.

Mr. Treleaven: I remember a couple of years ago I was on the Ombudsman committee briefly. At that time, we delved into the length of time a file was open. This is really a supplementary to the chairman's question this morning. What is the length of time a file would take from opening and putting the tab on it until it was closed?

Canon Purcell: I tried to deal with that this morning, but we can run over it.

Mr. Treleaven: No, I do not think we actually had an average time.

Mr. Brown: We have an average time--and we are dealing with averages now--of 9.3 months; roughly nine months.

Mr. Treleaven: On an entirely different subject, this committee just returned from a trip to the north, to Moosonee, Thunder Bay and Minaki, and reviewed three agencies. One thing that was common throughout the trip was that the native people were few and far between in employment in the areas we saw and I would take it in the community.

You mentioned this morning that you look into systemic inequalities or prejudices and so on. Do you take it as your mandate to go out without a complaint and do that kind of thing? Do you look into the north, look into employment opportunities and question why native people are not in a very big proportion?

Canon Purcell: Our normal procedure is to respond to complaints. I mentioned this morning the need to be much more proactive and set up a group within the commission to go out and try to address some of these systemic problems. The north is one that causes a great deal of concern for us. We have been involved in a number of affirmative action programs in the north.

As I mentioned in my report, the vice-chairman and I spent a couple of weeks meeting with native groups right across the north country. It is one that does cause us a great deal of concern. We are trying to find ways in which employers in the north would find more job opportunities for natives.

One of the things the federal commission found, because it handles things like banks, is there may be a grade 12 requirement. The average native Canadian does not have much of an opportunity to get to grade 12 but has the ability to start in a bank and learn. They have asked the banks to lower the educational requirement so the native people can perhaps get in and get started. There are so few role models for them to see they can make it in banking and in different industries in the north.

It is one we are very much aware of. We are trying to do everything we can to find some way of helping. The sad thing in a way is that just as we took on the new Human Rights Code, covering the protection of the handicapped and all the extended protection, was the very same time as people were laying off. I am out there telling business to hire minorities, hire native Canadians, hire more women and hire the handicapped and they say to me, "But we are laying people off." I have said all along that if you politicians would do something about the employment problem, some of my problems would go away.

Mr. Warner: I appreciated the statement made this morning. The chairman, like others, is probably feeling a little disappointed that Claire Hoy is not here to hear this, that he is up in Ottawa and cannot take in the fine remarks that were made.

If anyone was under the illusion that discrimination has somehow abated or disappeared, I was brought up quickly when I raised in the House the question of banning South African wines. The obscene phone calls and letters I received as a result of that were really quite incredible. I do not remember all of them. My secretary fortunately screened out a lot of the rubbish that came in. "White trash moron" was one of them. Some of the members might like to remove the first two words, but there were many other delightful phrases to describe me for having raised that item.

Canon Purcell: It is not nice when you are on the firing line.

Mr. Warner: No. It is there, it is very real and it is scary. My riding is predominantly Anglo-Saxon, and I recall during the campaign in 1977--it really stuck with me--calling on a white couple sitting out in their backyard enjoying the sunshine. We had a nice little chat. She did not have any problems. "Do you see any major issues?" No major issues. Life is fine. Only one concern. She said: "You know what? I ride public transit every day to and from work. It is very crowded. I notice there are not very many Canadians any more on the bus." I looked at her and asked: "Oh? How can you tell?" I stood there for a minute, and then it sank in. Of course, you cannot tell by looking at someone whether he is Canadian or not, but that kind of attitude is there and it must be very difficult for you people to work with.

Canon Purcell: The sad thing is that the woman does not think she is prejudiced, you see?

Mr. Warner: That is right.

Canon Purcell: She is crushed when you suggest that

perhaps she does have some biases. That is one of the hardest things to deal with, where people think, "I do not have any prejudices."

Mr. Warner: Yes, and they do not feel they do. I think Mr. Brown mentioned that you have not come across any person who has complained about it; it is just that I am discriminating, but they all believe they are not.

Canon Purcell: That is right.

Mr. Warner: I guess in general terms the human rights commission has taken the approach of conciliation and education rather than a more legislated role. For example, in the case of the handicapped, the method you are using is to try to convince employers to hire people rather than to say there should be a quota system or some sort of legislated equality. Is that generally true?

2:20 p.m.

Canon Purcell: We are bound by our own mandate. We are not allowed to do that, according to the Human Rights Code, but we are able to try to use the education method and we are able to encourage them to do special programs and affirmative action. But when there is a discrimination case, we are prepared to bring the full weight of the legislation to bear. As I suggested, one of our very first cases, which I am sorry I cannot discuss because it is under appeal, is a marvellous case and I would love to be able to discuss it. But it is the sort of thing we are able to do.

Mr. Warner: Would you recommend from your experience on a commission that there should be some areas where, instead of simply conciliation or education, we should enact some more legislation, such as with the handicapped?

Canon Purcell: There are areas. We are not very keen on quotas, but we are interested in targets. Let us look at the teaching profession, where 80 per cent of the teachers are female and eight per cent are in important positions. There is something radically wrong. I was at a well-known board of education, which would best perhaps remain nameless, and there were 36 people sitting around there. I was trying to tell my story. Finally, I got up and said, "I think I am wasting my time" because all 36 were men. The chances of them doing much about what I was talking about was not very encouraging. I felt I was pretty well wasting my time. That is a sad story.

I think there certainly need to be some things like contract compliance. When the government puts money into it, it could take a stronger line. When they are funding different companies, education, this, that and the other thing, they could take a much stronger line. "Unless you comply with the code, unless you do something about the fact you are not employing handicapped or visible minority persons, you will not be given any more contracts."

Mr. Mancini: They might recommend that a woman be named as chairman.

Canon Purcell: My predecessor was, but thank you for your help.

Mr. McKessock: You indicated that 80 per cent of the teachers were female but only eight per cent were in higher positions. Have you any facts or statistics as to how many females applied for those higher positions, compared to males?

Canon Purcell: I do not have that at my fingertips, but there is lots of information proving there is something not right about the system.

Mr. Warner: You are right. As a former teacher, I can tell you. When I first started teaching, it was well known that in order to get advancement the inspector had to write your name in his little book. He wrote only male names down. He never wrote a female name down and it did not matter whether or not she showed interest.

The principals were to discourage women from applying. They were to encourage a man to apply for advancement but they were not to encourage a woman to do so. That system has been in place for a long time. Eventually, you try to get at it partly through the teachers' organizations themselves, partly through awareness programs and partly through some pressure on the principals. The folks who are running the show are, for the most part, men. Maybe the compliance aspect of it, maybe there is a little lever there. But it is real and it is a problem.

Canon Purcell: I think the Minister of Education can make the point too. The human rights commission cannot do it all.

Mr. Warner: No. I wanted to get back to something that was raised this morning about measuring success and changes. Unfortunately, in Metropolitan Toronto a little while ago, it was activated mostly through the killing of Albert Johnson by the police. It resulted in some considerable unrest, especially in the black community. Out of that was an attempt to try to sensitize the police a lot more to minorities.

Do we have any way of measuring whether the police have responded, whether they are a more sensitive police force, and if they are practising what they were, at least officially, preaching about hiring minorities to work on the police force? Is there any way to determine whether or not the attitudes of the police officer on the street and in the patrol car have changed any?

Canon Purcell: We are certainly working with that. We recently had the chief of police at the human rights commission and we outlined a plan of action in relation to some things they should be doing. We are going to meet with them again in six months to see whether they are actually putting some of these plans into action.

That came out of a board of inquiry, Ahluwalia, a very important board decision that did not necessarily find discrimination against Ahluwalia but did recommend certain procedural changes in the police force.

It is very interesting to have the chief of police say in his opening statement, "Of course, there are a lot of jobs that women cannot do." It was a wonderful leadoff. I think he had to revise that statement. A good number of women commissioners were not very impressed with it.

Dr. Ubale: To answer your question directly, yes, in the late 1970s there were a lot of problems. The report I presented to the government in 1977 documented all the insensitivities that police demonstrated to visible minorities. However, the police have come a long way during the last six or seven years.

The major benefits can be measured only in terms of our day-to-day dealings with them. During the last number of years the police have agreed to have race relations training for the entire police force. We went through that exercise, and the entire Metropolitan Toronto Police force has gone through it.

We have set up a committee of police trainers throughout the province, because racial minorities are now spread all over Ontario, not only in Metro Toronto. Very interestingly, the police themselves have set up a committee to write textbooks with us, and race relations training is given at the Ontario Police College. There are ongoing communications between the police and our own staff practically on a weekly basis.

We facilitated a meeting between the minority communities and the police, so the complaint against the police for the insensitivity that was demonstrated in their day-to-day dealings is reduced to a great extent, and I am delighted that police forces throughout the province have responded very positively.

In regard to the hiring of minorities, the Metropolitan Toronto Police force began to look into it with Touche Ross and a report was published recently.

There has been some work on promotion. They have promoted some visible minorities in the police force, but they have not been able to attract members of the minority communities, partly because of the way they have been marketing it and partly because of the way they have been advertising. Their recruitment procedure appears to me a bit faulty in the sense that they expect others to come and join them, and it is a closed-shop, word-of-mouth recruitment. We had a meeting with the police and they are exploring ways and means of trying to get visible minorities hired in the police force. In that area we are delighted to say we have made enormous progress.

Canon Purcell: We have a very good program this summer with the police with some very bright young people. They are just going into university, their first year, working with the police: women, visible minority groups. Out of those 20, five have shown a real interest in some kind of vocation in police work. That is the kind who may set an example to the police that they have to work with young people and get them involved. You cannot just wait, as Dr. Ubale says, for them to come and knock on the door.

Mr. Warner: You may also recall that, while it was not

quite as high-profile, a few years back the civil liberties association indicated it had done some surveying on fire departments and found that you had to be white and a man to get hired. Have you had the opportunity to deal with that problem?

2:30 p.m.

Canon Purcell: I went a year ago to the fire college in Gravenhurst and I spoke to all of the fire chiefs in Ontario and outlined the need to change this. That is going to be a tough one, I think. Again, we have physical requirements that might be exaggerated, although we are not sure they are. These are things like running up and down ladders carrying 900 pounds and that sort of thing. Not too many of the older firefighters are likely to be able to do these things either, but once you are ensconced there you are safe. That is a tough one. I read the other day where some woman has just been hired for something, the first woman in the Toronto fire department. We have a long way to go in that area.

Mr. Warner: The visible minority side of it should surely be a little easier to tackle.

Mr. Brown: Some years ago we met with the personnel people at city hall on that question. Their whole hiring procedure was subjected to scrutiny at the time for a breach of the code, and that was turned over to us to work with them on it. What was happening there was that it was a traditional word of mouth with jobs sort of going to families of ex-firefighters down the line. Those jobs were not advertised in the local media. We were able to get them to change this practice, because in the minority communities, people were unaware when jobs were available in the fire departments in the province.

We worked on that, and it was my understanding that there was some breakthrough by some minority group in Metro, but I am unable at this point to give you any figures on it. We were also able to work on the instruments that were used for testing recruits. In that way we removed many of the traditional barriers inherent in them. In regard to the questions themselves, somebody coming off the street, whether or not he belonged to a minority group, could not do them, unless he had somebody in his family who could tell him something about the technical aspect of fighting fires. There was a built-in head wind in the process for people outside of the families of firefighters.

We were able also to cut down on the long list they had there. These lists were compiled through the traditional word of mouth. I think there were something like 200 names on the list when the mayor took a look at it at the time. We were able to get it reduced, so that the whole job opportunity situation would be opened up to a fair competition.

Mr. Warner: Despite the difficulties you have encountered with the fire departments, police departments and other institutions, do you still hold that the way to try to resolve these problems is through using the act you are given and

through conciliation, education and discussion, rather than imposing quotas or any other type of tougher legislation with respect to employment in hiring?

Mr. Brown: I am not holding that a quota system is the cure-all for the problems. When you talk about quotas, you set the whole employment equity situation upon an emotional ear that you are never able to cope with because people talk about reverse discrimination and all that kind of stuff. I think once you throw in a quota there, you are courting emotional disaster. I think the conciliation process, investigation and built-in affirmative action forms a continuum of remedies.

First, you have to be clear what the problem is. We know that. It is discrimination. I do not think the battery of remedies available today for combating it is inherent in the code as it exists, but I am not prepared to say a quota is necessarily the answer.

Canon Purcell: The federal board of inquiry told the Canadian National Railway it had to increase the number of women employees, and it is interesting the CNR is appealing that decision. However, it is an important issue and I think one that needs to be addressed because, in some places, the educational approach works and people are co-operative and really go out of their way to try to find a solution. There are other groups and types of employment in which people do not seem to want to play ball at all. That is what brings on legislative quotas.

When people will not do it co-operatively, there is sometimes no alternative but to force them. Then, of course, you know what that means. I am just saying many employers are more than co-operative and try to set up programs and have seminars, but there are other groups that just will not co-operate at all.

Mr. Warner: I have two last questions. Can you identify any areas in which the code should be strengthened? Where have you found a deficiency, either as a result of complaints people phone in, thinking you could help them, but you have discovered the code is weak in the particular instance and you are not able to be of assistance, or just from your general experience or knowledge, your interest in human rights, where the code itself should be strengthened?

Canon Purcell: As I suggested this morning, we have our hands more than full right now with the legislation we have, so that is one thing.

There is a trick in the United States, where they give you the most gorgeous legislation in the world. They have everything in it, but no money and no personnel to run it. There is something like that in the Soviet Union, too. The Helsinki agreement is right in its constitution, but just try to refer to it. Good legislation is one thing, and it is true ours could be improved, but it is no use having everything in the code unless we have the personnel and resources to make it work. That is the first thing I want to say.

The second is, yes, there are perhaps areas in which the code could be strengthened. If there is anything that is not now in keeping with each section of the Charter of Rights and Freedoms, that will have to be brought into place. I think the revision of our code pretty well covered most of that, but I mentioned this morning the need to do exactly what you asked about a little earlier. We need a systemic discrimination unit. Somebody mentioned northern affairs. I need more staff and resources to move in and say, "This is something the pulp and paper industry needs to employ more and mines in the north need to employ more," and get the statistics and information, that sort of thing.

It was suggested in the paper this morning the Human Rights Code should protect homosexuals. There are a number of areas where the code can be expanded, but as I say, before we go and expand it, let us make sure we have the resources and the personnel to make the one we have got work well or better.

Mr. Warner: I take your point. You have pre-empted my last question. Unless I am mistaken, it is still possible to discriminate in areas of housing and employment on the basis of sexual orientation. Those are probably the two most important areas to most folks these days, working people anyway, where an individual has been denied a certain civil right which everybody else has. At least on the books, you cannot discriminate in housing or employment on the basis of colour, creed, race or sex, but you can on the basis of sexual orientation.

Do I take it from your comments that the commission still holds the view that this should be an addition to the code?

Canon Purcell: I think this article spells it out very well. It points out that the Quebec code has had it for a number of years. It is no big deal, nor it does need to be. Do you remember when Bill 7 was being debated and everything? My goodness, you would have thought--

Mr. Warner: The world was crumbling around us.

Canon Purcell: Yes, that is right.

Dr. Ubale: I have some views on this. Again, I say this with all sincerity because I owe this to a large number of people who are outside. In the area of race relations, we have failed miserably. I have been on the commission for the last eight years, and we have not been able to change the direction as far as race relations are concerned simply because of the character of the discrimination that takes place here.

The commissioners are extremely good people, the people who are investigating are extremely good, and our staff is good. But the character of discrimination in the area of race is very difficult because here you are dealing with a phenomenon which surrounds you and yet you cannot pinpoint it. You feel it, but you cannot describe it. That is the phenomenon you are dealing with. Because we deal with the perception and not the reality, a large number of the minority feels that this is not an adequate instrument to address its problems.

Therefore, we have to look to various alternatives, and we are not the only agencies in this country. There are a number of other countries that have gone through a similar exercise, and there are ways and means to explore this possibility. We have been, as I said, dealing on a case-by-case approach. That is not making any dent in race relations. There has to be much more power given to do more on systematic discrimination, so that we do not have to go through discrimination on a case-by-case approach.

A large number of people, people who are in middle professions and higher professions, do not come to the Human Rights Commission to file a complaint about discrimination because it is a closed shop. Therefore, they are hesitant to file a complaint with us and they may choose another. They would like some other agency or human rights commission to do systematic investigation. We have not been able to do it thus far for different reasons, but we should be able to do it.

With respect to discrimination in the government, as a race relations commissioner, I hear a lot of complaints from visible minorities working in this government itself. They are not willing to come forward and file a complaint with the commission for simple reasons: fear of reprisal, promotional chances and bad references. What do we do? We just listen. There is no instrument; there is no agency. In the case of women, there are affirmative action officers. There are a lot of other advocacy agencies to which women can go. There is no corresponding mechanism for visible minorities in this province.

I have spoken on that and I have written on that, so my views are quite well known. I am only repeating what I said before. There is a serious flaw in the code itself because it does not allow the appeal procedure. The code is biased in favour of the respondent, not the complainant. When the commission dismisses the complaint, the complainant has no other mechanism to go to. You can go to the Ombudsman, but you can go only with a complaint about whether the investigation was run properly or not.

The Ontario Human Rights Commission is the only agency that deals with basic human rights. Once the case is dismissed, individuals have nowhere to go. As the result, the people who file the complaints are frustrated. They give their grievances against the commission, and the commission gets a bad name. It is no fault of the commission or the staff, but simply that the individual has no right to go anywhere else. My suggestion is that there is a serious flaw, and we should amend the legislation to see that once the case is dismissed by the commission, the complainant should have a right in a democracy to go to court and seek his own redress under the Human Rights Act.

Mr. Mancini: Do you mean he could go to county court?

Dr. Ubale: Yes, county court or any other court. This is the only country where we are not giving a right to a complainant to go to court without the sanction of the Human Rights Commission. That is not equal rights. We are not given equal rights.

When the commission appoints a board of inquiry and the commission's decision goes against the respondent's position, the respondent still can bring in his witnesses and he can cross-examine the witnesses of the commission before the board of inquiry. If the decision of the board of inquiry goes against the respondent, the respondent still can appeal to Divisional Court and the Supreme Court, but under the existing legislation the complainant has no equivalent mechanism. That is a serious flaw in our legislation. I would like to see that amended at that level. That is my position on that.

Canon Purcell: There may be a little clarification needed there. If the board of inquiry goes against the complainant, the complainant can also go to a--

Dr. Ubale: But before that, at an earlier stage, I am saying he is cut off.

Canon Purcell: Let us keep the record straight.

Mr. McClellan: I wanted to ask some bread and butter questions about your capacity to enforce the provisions of the Human Rights Code. This afternoon Mr. Brown started by responding to a question from Mr. Treleaven that the average file is opened and closed within a period of nine months. Can you give us a breakdown on the percentage of cases that takes less than nine months and the percentage that takes more than nine months?

Mr. Brown: We have some figures on that.

Mr. McClellan: If it is not instantly available, that may be material that may be provided to Mr. Eichmanis, our researcher.

Mr. Brown: Yes. I could prepare that.

Mr. McClellan: I realize it is difficult to have these answers at your fingertips.

I would also like to know the average time it takes from the intake of a complaint to assignment of the appropriate staff person. That would be helpful to have.

I apologize for missing this morning's session. I will review Hansard. I had some family obligations that kept me away this morning. I apologize for that and I hope I am not covering material that was raised. You will know there has been an ongoing concern about backlog and the amount of time it takes the commission to deal with complaints. I did a little numbers crunching from your annual reports starting in 1981-82. I want to run through these so that the figures at least will be on the record.

In 1981-82, you opened 695 cases and closed 1,000 cases. That is pretty good. That was also the year prior to the introduction of the new code. Obviously, some frantic and effective work was taking place in clearing the boards.

2:50 p.m.

In 1982-83, the first year of the new act, you opened 831 cases and closed 762. In 1983-84 you opened 1,237 cases and closed 1,012--and this is the first year for which I can obtain a record of case load in progress. From 1983-84, you carried forward 980 cases. In 1984-85 you opened 1,599 cases--almost triple the 1981-82 case load openings--and you closed only 1,070 cases, and your case load in progress is now 1,507 cases.

You have already referred to Life Together and you paraphrased its concerns about resources in diffusion, which it deals with in the section on diffusion. I have the Ross and Partners report that was done in 1980. On page 4 it says:

"The ability of the commission to continue to effectively operate in the future is in jeopardy. The volume of cases opened and the number of cases in backlog has been growing at an alarming rate. Human rights officers and supervisors can simply no longer cope with their case loads. Recent studies indicate that it is taking, on the average, nine to 12 months for a case to be closed. It takes on average three months from the time a complaint is received to the time the officer talks to the respondents."

It sounds as if we are back to the critical situation we were at in 1981, and I would appreciate your observations on that.

Canon Purcell: That is our deep concern. I alluded to some of that in my opening remarks this morning. What this sometimes leads to, which we are experiencing a bit at the present time and it has me very worried, is burnout and discouragement in that you sometimes work harder but you still do not seem to be making very much of a dent in your work load. That is very discouraging and, as I say, it is one thing we have to watch out for. We have a very good group of dedicated officers and yet the harder they try, the harder it is to keep abreast of the problems. This is something that worries us very deeply. We did discuss this a bit this morning.

Mr. McClellan: Did you talk about staff needs?

Canon Purcell: Just in general terms.

Mr. McClellan: I am trying to do number crunching from annual reports that are a little bit confusing, I might say. The information is not always easy to find. I understand the conciliation and compliance staff has been increased by about eight or nine since the new act was introduced. Is that accurate?

Mr. Brown: I think that is about correct.

Mr. McClellan: My figures shows that the case load is up about 130 per cent.

Canon Purcell: Yes. First of all, we thought the case load was going to come much more quickly than it did. We thought in June 1982 that perhaps in a couple of months it would show up. We asked for staff on those grounds, and it did not show up until

about a year later, particularly in the area of the handicapped. I mentioned this morning that this is the fastest-growing area of complaints, but it took over a year before this began to show up. By that time we had lost a whole year in getting new staff.

Then, of course, at that very time there were general cuts across the government. There were to be no more hirings; there had been a freeze. If you could give me the answer to how get around that one, I would be really pleased.

Mr. McClellan: Again I am concerned.

Canon Purcell: We are too.

Mr. McClellan: I am sure. I do not doubt that for a second.

The ability to operate effectively is in jeopardy. During this period, your case load has gone up 130 per cent and what I consider still to be the bread and butter of the commission--code enforcement and conciliation and compliance--has gone up about 25 per cent. At the same time there has been a major expansion in race relations, as I understand it.

Surely you are asking yourselves how you can best employ the total staff of the human rights commission to make sure the basic mandate is fulfilled--I refer to enforcement of the code. The mandate was set out in the memorandum of agreement between yourselves and the Ministry of Labour.

Canon Purcell: We can get into the reasons our race relations officer pitches in and helps with conciliation--everyone is trying to help. In Windsor, where there are only two people, for example, everyone goes flat out to try to solve all of the problems. Education, conciliation, race relations in total are a burden that some people break under. We have had some cases of that.

Mr. McClellan: I do not want to belabour the point I am making. As far as I am concerned, we are right back where we started six years ago. Someone has to take a good, hard look at the way the human rights commission's total resources are being deployed. The deployment must be looked at in the light of concerns that have been expressed many times in the past about your capacity to fulfil your basic and priority mandate: enforcement of the code and compliance in it.

Canon Purcell: My fight often is not with the Ministry of Labour, but with Management Board. I have been a clergyman all my life and government is a great mystery unto me.

Interjections.

Canon Purcell: I am not used to these mysteries. It strikes me that is where I have to do the convincing.

Mr. McClellan: You mentioned what happens with the race relations staff outside of Metropolitan Toronto. What about inside

Metropolitan Toronto? Are they involved in complaints regarding conciliation and compliance?

Dr. Ubale: No.

Mr. McClellan: Why not?

Dr. Ubale: They have a different mandate because we have created a resolution within this province--this mandate of educating, changing the social attitude. One has to be very careful when one uses the word "education." One aspect is educating people about the code and its implementation; the other aspect is changing social attitudes. Because in this part of the operation you are dealing with ingrained social attitudes. They cannot be changed by administration alone.

We have to deal with numerous institutions, and in dealing with race relations we have a shortage of staff. There is only one staff officer dealing with all employers. Trying to teach them how to prevent racial discrimination at the place of work is an enormous task for one officer.

Even the line enforcement agencies try to change the social attitudes, deal with community groups and so on. In race relations you are dealing with minority politics. There are many racial tensions and our staff is being worked 24 hours a day. All the community groups meet in the evenings or on weekends and our staff is expected to respond to that.

We are dealing with an advocacy role in our resolution--

Mr. McClellan: I appreciate that but I look on page--I said I would not belabour it and here I am belabouring it. On page 97, I notice the commission staff as of March 31, 1985, under the race relations division there are 17 positions, under the conciliation and compliance division there appear to be four. I must not be reading it correctly.

3 p.m.

Mr. Brown: No.

Mr. McClellan: I assume I should continue reading into the divisions and the regions?

Mr. Brown: Yes. After race relations division, look at eastern Ontario region and then Hamilton-Niagara, northern, and southwestern. There are three regions in Toronto.

Mr. McClellan: Once we move outside of Metro, everybody is working together on code enforcement?

Mr. Brown: Right.

Mr. McClellan: But not in Toronto. I promise this will be my last question. Why not?

Dr. Ubale: As I explained, we have a staff who are

expected to work to promote racial harmony in society. They have no time even to do their own work, let alone do the complaints work. As I said earlier, we do not have any of the advocacy agencies. You compared race relations with the physically handicapped and women's directorate. The women's directorate is a separate institution with all advocacy work and has a minister responsible.

In the Ministry of Labour we have one unit that deals with promotional work for the physically handicapped. They have more budget, more resources, more manpower. They are all doing advocacy work. Yet if the race relations people are asked to do all the complaints work, one might as well say goodbye to race relations in this province.

Mr. McClellan: I conclude with this observation. I do not know how many people I am speaking for in this Legislature, but when we passed the Human Rights Code we expected the commission to enforce it. We expect that the priority of the commission will be dealing with people's behaviour first. I do not know how to prioritize these things. We are always dealing with scarcities and inadequacies, but we expect that unacceptable behaviour will be dealt with first and that the important and essential work of education and attitudinal change will take place, but not at the expense of the first priority.

Dr. Ubale: As I said, you will have to decide the role of the commission. If you want the commission to be just a law enforcement agency, a regulatory agency, that is what it should be and that should be where you spend all your resources. If you are going to do that, then I would urge you to have an advocacy agency for resolutions somewhere else. Do not mix the two roles together so we do not have this problem all the time.

There are two aspects to human rights work; one is the regulatory aspect and one is the advocacy aspect. If you have an advocacy aspect for all other areas, including women, the physically handicapped and senior citizens, why is there no advocacy in this province for race relations? Why has society not given the resources while your second generation is holding the youth conferences? They are worried they are not getting jobs. We are still having a lot of racial problems all over the province.

As I stated in the newspaper when the Air India crash took place, I went to my office and the first telephone call was from somebody saying: "Dr. Ubale, we heard you on the television. You are a reasonable man. My sympathies and my condolences to those persons who lost their relatives." Then he said: "But when we came to this country, this country was very safe. When your people came, this country became unsafe. Why can your people not go where they came from?"

Canon Purcell: This is what you are saying the phone call was.

Dr. Ubale: We had numerous race relations problems. My relations with our staff, or my colleagues or commissioners or the ministry are extremely good. Let us not mix the two roles. We are

also having problems because of the two mixed roles.

I will give an example. Only last week the Chinese community totally refused to work with the race relations division simply because it was not happy with the enforcement side of our commission because of the political appeals that have been referred here. My staff comes to my office every day crying. They say: "The community group does not want to work with us. We do not have resources. We do not have funding power. We do not have a fund." All we work with in race relations is goodwill. How long can you do that? I have been working in this area for seven years. You cannot rely on goodwill. We have neither the powers nor resources. Therefore, I would prefer the Legislature of this province to make that separation, and make it as a commitment. Then you can hold the human rights commission responsible for enforcement, as a regulating body. Anything that has to be done about human rights should be done in this area.

I would not say the race relations staff should deal with compliance, as has been suggested. That would never work. It does not work anywhere else. Other countries have made that separation. You have it in the United States. The Equal Employment Opportunity Commission does its regulatory work. The Civil Rights Commission deals entirely with advocacy.

The United Kingdom has made that separation. If you see the report of the select committee on race relations in 1975, it did extremely good work and argued the whole case of separating these two roles. I do not see any reason we cannot do it, if we are committed to promoting racial harmony in this society. My problem is I am not yet sure how far we are committed to that. Thank you.

Mr. Chairman: I am just going to intervene here for a second. Is there a consensus among the commission that should happen?

Dr. Ubale: No, I am in the minority view, so far.

Mr. Chairman: I would like to respond a bit here. We have listened at some length now to a commission member's point of view. This committee is going to make some recommendations. We have heard an eloquent case, and if there is a counter-argument you have no better opportunity to present it than now.

Canon Purcell: I think the point is there is a division, money and staff. It is wrong to say there is not a whole division to do that work. That is already in place. All that was being referred to here was that, sometimes, when one gets in a jam or something, one has to take one's resources and--but we do not do that. The race relations division is in full charge of its own work, to do it and set it up any way. They have their own resources and people, and nobody is interfering. We are all involved, all the commissioners, all our staff, and when our compliance people do workshops, it is really part and parcel of the same thing.

Certainly some of my friends in England, such as David Lane, who retired from his responsibility for human rights, race

relations, are not convinced separating the two will bring in the kingdom of heaven, or anything like that. I do not think it has been proved completely, all over. It is a very difficult role. There will be complaints from some community that does not like a decision we made and therefore does not want to work with us or something, but those things tend to right themselves.

3:10 p.m.

I am doing this all the time. I deal with the business community, with business people against whom we have had complaints. They realize this is part and parcel of the way it is. It is not a majority opinion that this division should be separated so completely.

I will ask Mr. Brown to comment, but the frustrations we all feel are the ones we have been discussing. Everybody feels the frustrations. Dr. Ubale feels he does not have enough resources. I know he is not here crying and trying to make excuses. I think that is terribly important. But it does set up frustrations when there is the feeling of not being able to complete our mandate in race relations, in compliance or in education. I particularly mentioned very strongly the systemic unit, the need to move in and try to find the answer to some systemic problems so we can correct them right at the very heart of the problem rather than just case by case. We have to put all this in perspective.

George, do you want to make any comments?

Mr. Brown: Mr. Chairman, I want to assure you that there is unanimity somewhere.

Mr. Chairman: You mean you have a third opinion.

Mr. Brown: I hold to the position that human rights needs an organic approach to it. A decision was taken some time ago that there should be a race relations division within the commission to deal with the specific problems of visible minorities in the society with special regard to Metro Toronto. That is a given.

Since that time, though, there has been growth in the number of complaints attendant on the new code. Mr. McClellan is correct that the growth in the new complaints, especially when one looks at the number of complaints by the handicapped, for example, and all the new grounds, has tended to outstrip the capacity of the resources we have on the compliance side of things.

We have had increases in resources, but this was done at the time of constraint within the government. The ministry has been generous in putting some priority on the particular problems of the commission in the allocation of resources internally, but this was done, as I said, during the period of restraint all around in the government service.

We are now laying the groundwork for discussions with respect to this terrible situation with respect to new resources in the commission. This is receiving active discussion in the

commission. The chairman has referred to a unit that we think will take some pressure off the individual cases. That is the systemic unit. We need a broader approach to systemic discrimination in the province.

The commission has also indicated to its supervisors in the regions to look at this aspect of the work, which comes under section 10 of the code, which deals with systemic discrimination. But we realize it takes resources and, as I say, it is something that is being looked at urgently.

Mr. Mancini: Can I go back to my earlier question?

Mrs. Marland: I think this gentleman at the back would like to speak.

Mr. Chairman: Okay. Could we have you sit at one of the end desks so you will have a microphone? Just give us your name.

Dr. Ifejika: Mr. Chairman, it is important to me as the person in charge of the operations in race relations--

Mrs. Marland: I am sorry. I do not remember your name from this morning.

Dr. Ifejika: My name is Sam Ifejika.

To clarify for you the situation I face, especially in the light of the question that was posed here, I would not want to leave unanswered the impression that the race relations division has all the resources it needs and that it is not doing enough and should have concentrated its effort one way or the other in compliance work.

The reason I say that is I have a staff today who are grieving that they are being overworked. I have a staff today who work hard, in many cases in the course of a month accumulating many hours of overtime; but human rights officers are not paid for overtime. The government requirement is that you work at a minimum of 36.25 hours in a week. If you work 100 hours in a week, there is no rule to compensate you for that. If you work on a weekend, you can claim that hour by hour, but in the course of the five-day week, you are not going to get any compensation for that. You can get discretionary time only at the discretion of your supervisor.

You will find a lot of our officers are accumulating this type of overtime because there are not enough staff people to deal with different issues that do arrive. When there is a community conflict, tensions are there. We have to respond to that, because in the mandate we have there are two specific areas; one is proactive and one is reactive. If there is something happening out there in the community in the course of your weekend, you have to respond to that.

I should also mention that the statistic cited here, showing 17 people in the race relations division, does not give the correct picture. If you look at the statistics of the commission, the race relations division is very badly undernourished in terms

of resources, manpower and finance. There are more than 50 people employed in the compliance division. There are about 17 in the race relations division, 10 of whom are race relations officers. What does that happen to do with the work that we do?

If you look at the institutional sector, there are about 10 different institutions, and we now have only three officers who deal with all these institutions. They include the criminal justice system, the media, the social service delivery system, the health care system, municipal government and so on. That was one of the reasons why we devised this strategy, since we did not have the resources, to encourage institutional sectors to develop their own mechanism for dealing with problems of race relations.

That is why today you find the race relations division pushing for the establishment of municipal government in different municipalities, so that when problems arise in the local community, they can deal with those problems themselves rather than running to the race relations division in each and every instance. This has led to a situation where an officer dealing with one project, let us say the educational sector, in the course of a year will spend about 200 hours on that one project, let alone other matters that come up from day to day.

We face the situation in doing community work that we do not even have the finances to make ourselves sellable to the community groups. Community groups are not going to come to us on the basis of goodwill alone. We may explain why it is important to do this or that, but if we have nothing to show for it, then they are not going to be interested.

In what we call the community relations sector, we do not have any fund, any grant, any money to give to anybody. What have we ended up doing with the very slim resources that we have? If you look at the budget, you will find that 70 per cent of the budget goes for salaries. There is very little in terms of an operating budget for the race relations division. We are talking about a \$218,000 operating budget for the race relations division. What can you achieve with that?

There is a lot of money, say, in the Ministry of Citizenship and Culture. It has been one of the continuing debates over the course of the past several years. They can give grants, and a lot of people are flocking there. But nobody will come to you simply on the basis of goodwill, and this is simply the situation we are faced with.

3:20 p.m.

What does it mean in terms of the impact? I happen to be a strong believer in the two arms of the commission, but we must be clear, and I believe I should state this here, about what these different mandates are supposed to accomplish and why. Although they have extremely good officers, professionals, working very hard to produce results, if we go by a case-by-case approach, you are not going to use that to create the kind of racial climate you need to create. The reason for that is simply that many of the highly publicized human rights cases today are not even

necessarily related to race. The ones related to race are being talked about because they have not satisfied the community groups they are dealing with. The ones that are making the most important news are the ones related to sexual harassment.

Second, you are not reaching the level of people you can reach through that approach. The professionals are not going to come to the human rights commission to file a case, because they fear it may affect their careers. How many people are going to come forward? What is the result they are going to achieve over a 10-year period? This is why I believe the mandate of the race relations division is particularly important.

The race relations division was created as a result of community pressure when all the problems were happening in the mid-1970s to the late 1970s. It did not just happen. The community found the need to focus on race relations. It is going to be even more important in the future. I say this because community groups are becoming more issue-oriented, much more organized, and they know how to lobby and get themselves heard by the media. Many of these problems are going to come to your door.

Because of the misunderstanding about the mandate of the division, you are going to find that even when cases are not related to it, they blame it on race relations because the high expectation is there. They believe the race relations division people are the ones who are responsible for this problem, including Claire Hoy. If you do a content analysis of what he has been saying, he was not talking about the race relations division. The media might even understand the different role, how it works for the man on the street to understand that. This is simply the case I think I should put before you.

Mr. Mancini: I have a comment before you leave. It sounds to me as if you are explaining a management problem within the commission itself.

I do not think the committee would have the power to decide. You might want to suggest how much of the \$4.4 million that was allocated in the 1983-84 budget should go to the race relations division. It would be up to you people, the chairman and senior staff, who deal with the commission. I respect the problem you have presented. I consider it to be strictly a management problem. If I am wrong, then I should be corrected.

Canon Purcell: Nobody has gone into it, and we had a study on it last year. I just do not think it should be part of this.

Dr. Ubale: In the final analysis, race relations should be given the quota that is given to other areas. If you want to have race relations as a part of the human rights commission, then I would prefer to have a women's directorate and other areas as part of the human rights commission. In that way we have one arm dealing with an advocacy role and another arm dealing with enforcement.

Do not separate the race relations division as a state child

under one and leave other areas as advocacy agencies with other government ministries. You should be consistent. We find it very difficult to digest that the racial minority is given a state child's treatment.

Mrs. Marland: What was your last statement?

Dr. Ubale: I was saying that you have an advocacy agent in the area of sex discrimination, which is altogether separate from the human rights commission. In addition, over and above the resources that are spent, you have another advocacy agent for the physically handicapped. But when it comes to race relations, that equal treatment is not given.

I do not believe it is right for a policymaker to treat racial minorities differently, as something subservient to somebody else who can look over them. Either you give them equal treatment under one umbrella, along with all other advocacy agencies, or separate them all. Do not give separate treatment to racial minorities. That is the point I was trying to make.

Mr. Ignatieff: I am Nicholas Ignatieff, special adviser to the deputy. I would like to make a comment on the resource issue, which is implicit in Dr. Ubale's remarks as well as Mr. Ifejika's. While we share their frustrations about mounting work loads of all kinds, it is equally true, if I correctly understand the remarks of my colleagues on the compliance side, of the Ministry of Labour as a whole.

There are other parts of the ministry which fall under schedule 6 of the Crown Employees Collective Bargaining Act and are not entitled to overtime, and there are many here who are in the same situation. We talked of our conciliators and mediators, not only the work in the commission but beyond in the fields of industrial relations and employment standards. In these areas and in the area of health and safety of workers, there are mounting pressures.

Over the past five years, the government has increased the funding level of the commission by nearly 60 per cent; it is 58 point something. The ministry has been increased by about 40 per cent. That is over a six-year period in which the work load has increased much more than that. We are all facing the consequences of that. A number of constraints have been imposed corporately across the government.

The commission has come out a bit better in our own allocations than have other parts of the ministry. As far as I can gather, there have been special efforts made on behalf of the race relations program specifically and the conciliation-related activities. I understand special submissions have been made to the Management Board to advance these activities as best it could in an era of corporate constraint.

Those efforts continue, and the government is in discussion with the commission at the moment to see what more can be done. The economic climate has not changed dramatically; so there are still realities to be faced. I hope that clarifies it to some extent.

Mr. Treleven: I would like to pick up on Mr. Mancini's question and address a supplementary to Canon Purcell.

With respect, we seem to have a push'im-pull'im going here. You said you had a report within the last year, but you did not want to go into it because this was not the place. With respect, this is the place, and that is the mandate of this committee in reviewing agencies, boards and commissions. That is the reason you are here, and this committee is the place, above all else, to get across to the Legislature these differences of opinion so we can form some idea of what should be done and make our recommendations.

I would like you to expand on that report if you would.

3:30 p.m.

Canon Purcell: Mr. Mancini's point is well taken. There is a problem in trying to allot resources to all the different important areas. I mentioned this morning that we have had to set up a unit to deal with the handicapped. This is a very specialized field, and we need a sort of SWAT force, a team of highly skilled people to move in where there is a serious problem. As mentioned in the race relations area, when the whole thing starts to boil over you need to move in, even if it is in the middle of the night, to deal with the problem.

Sometimes in the area of conciliation and compliance, it is a very explosive field. I think it is terribly important that we not see some neat solution, as it were, that if we could separate or if we could be there or here or wherever, we could solve all our problems.

We were already told that when this gentleman spoke about banning South African wines, he received hate calls. People feel very strongly about these things and sometimes it is not easy, and it is not going to be easy, for the race relations people to deal with some of these issues. It is not a case that, "Well, they should not be taking the blame."

The conciliation and compliance areas, by conciliation, are trying to solve problems; they are not trying to create problems. But the very nature of the work is highly explosive; therefore, some of it rubs over into the race relations. That is part of the territory. If you cannot stand the heat, get out of the kitchen.

I still think it would be disastrous, because this is an organic unit. We have to fight this from all sides at all times. We have a limited amount of resources. Nobody thinks he is getting enough. I am the chairman, right? So nobody is happy. Compliance people are not happy with me; the race relations people are not happy, if you want to look at it from that point of view, but that is part of the territory.

I did not come into this for some kind of popularity contest. We take the resources, we have the best possible staff and we have X number of dollars. We try to divide them up as best we can and I think, we are doing that. When people complain that

they are not getting enough, that is fine, but it does not help solve the problems.

It is as simple as that. It is a matter of taking limited resources and dividing them up as best we can. Perhaps in so doing, we satisfy no one.

Mr. Chairman: Mr. Mancini, for the third time I am going to try to give you the floor. If you fall off it this time, you are gone for good.

Mr. Mancini: I just want to go back for a few moments to the issue we were discussing this morning before we adjourned, the Wei Fu case, before I move on to some other items.

From some of the questions and some of the answers, I have concluded that you are telling the committee that you do have a certain set of guidelines that you follow and that you did not in any way deviate in this particular instance. You followed what you considered would be a normal course of action. You are basically informing the committee that the matter was sent to a board of inquiry because of new information that had become available and not because of the pressure of community groups and/or the members of the Legislature. I just want to make sure that this is exactly what we are talking about.

While that may be correct, and I do not have any reason not to believe what you are telling us--we consider the work you are doing very difficult and we consider you to be a very honourable person--the difficulty I have is that the public perception, and the perception I had at the time and still hold somewhat, is that this is not the way it happened; that it happened because of the pressure from the community groups and because of the pressure from members of all political parties here in the Legislature.

I think that in itself causes the commission a great deal of difficulty as far as its credibility is concerned and in whatever actions we might want to take in working with you or in trying to solve some of these problems.

I am told that someone is going to be making a presentation concerning the Wei Fu matter, so I will leave my questioning with that final comment. If there are other items that come up later, we will deal with them as a committee.

Mr. Chairman: Sliding off the floor again.

Mr. Mancini: I am not sliding off the floor. It is just that I cannot comment and I cannot discuss the actual merits of the case. That is what Dr. Ubale has been told.

Canon Purcell: As I say, the procedures--

Mr. Mancini: I cannot get any further on whether it was done because of pressure from the community, so I am at an end to my questioning.

Canon Purcell: The procedures there are outlined. I try to administer them as fairly and squarely as I possibly can.

Mr. Mancini: I just wanted to kind of wrap it up so that it has some kind of continuity.

Mr. Chairman: Consider it wrapped.

Mr. Mancini: Thank you very much.

I want to get to the matter of the increase in budget. The information I have available goes from 1981-82 to 1983-84. In very rough figures, the budget increased from 1981-82 to 1982-83 by approximately 40 per cent. However, the following year, 1983-84, the budget was reduced by about 10 per cent from \$4.7 million to approximately \$4.4 million.

Therefore, over the course of those three years, the actual budget went up approximately 30 per cent, which I believe to be greater than probably most other agencies affiliated with the government had received. While I want to acknowledge the serious problem of funding and the pressure on your staff, etc., if we increased your budget tomorrow by another 15 per cent, that in itself is not going to make your job any easier or wipe out all the problems.

I want the record to show that probably the amount of money that would be necessary--

Canon Purcell: But it would be a nice problem if we had it.

Mr. Mancini: It would be a nice problem if you had it.

Canon Purcell: I would try to do my best to struggle with it.

Mr. Mancini: I am sorry Mr. Armstrong left--

Canon Purcell: Yes, so am I.

Mr. Mancini: --or he could pitch in for you. But that money would have to come from Mr. Armstrong. He would have to fund that money. Maybe we should--

Canon Purcell: I know. That is why he left.

Mr. Mancini: You will mention my suggestion to Mr. Armstrong. Thank you.

What is your total staff complement?

Mr. Brown: About 98 at the last count for the full commission, everybody, including support staff, race relations--

Canon Purcell: Support, case workers--

Mr. Mancini: What is your active budget, currently? It was \$4.4 million in 1983-84, so it is around--

Canon Purcell: Around \$5 million.

Mr. Brown: Approximately.

Mr. Mancini: How does that compare with the Ombudsman's budget? Does anyone know?

Mr. Brown: Lower.

Mr. Mancini: How much lower?

Mr. Brown: I am just guessing. The last time I saw the Ombudsman's figure, it was just over \$6 million.

Mr. McClellan: Ceramic ashtrays.

Mr. Mancini: You have no ceramic ashtrays?

Mr. McClellan: The Ombudsman.

Mr. Chairman: I keep giving you the floor, Remo, and you keep falling off it.

Mr. Mancini: I wanted to let everybody have a kick at the can.

The point was raised this morning about the amount of time it took your agency to deal with complaints. Last year I issued a press release. I am sorry I do not have it with me now, but I enumerated a good number of cases that took more than one year, more than two years and more than three years. Can I ask you why it should take three years to open and close a file?

Canon Purcell: I will get George to speak to that.

Mr. Mancini: Even the Ombudsman is faster than that.

Interjections

Mr. Brown: Mr. Chairman, I do not know the specific case, but--

Mr. Mancini: There were many.

Mr. Brown: Over the the three-year limit?

Mr. Mancini: Yes. Between the two- and three-year limit, there were many.

Mr. Brown: I do not want to quibble, but there is a difference between two and three.

3:40 p.m.

Mr. Mancini: Okay. There were some over three years.

Mr. Brown: What we are trying to do, as we mentioned this morning, and I think I promised Mr. McClellan, is to show the improvement in the number of cases that are now being completed in the commission from one to six months, seven to 12 months, 12 months and over. I can probably send you a copy of that. What we are working on--

Mr. Mancini: I just want to know basically why it would take three years.

Mr. Brown: It may be that the matter went to a board. Unless I see the particular case, I cannot give you an answer.

Mr. Mancini: Does anybody have a recollection of any particular case that--

Mr. Brown: Yes. I said that some cases that go to a board of inquiry would take up to three years.

Mr. Mancini: Explain to us the procedures and why a complaint cannot be resolved within a three-year time frame.

Mr. Brown: If it goes to a board of inquiry, it depends on the complexity of the case. Sometimes the cases are up for reconsideration and all kinds of stuff.

If the case goes to a board of inquiry, once the minister appoints the board, the timing of the processing of the complaint from that point is hardly within the corpus of the commission's competence. The commission cannot dictate to a board chairman. The chairman, through our legal counsel, can say, "Look, try to get this thing on," but we do not control the timing of it through the hearing.

Sometimes the board will render a decision and it may be appealed to the courts. There again it is outside the competence of the commission with respect to the timing through the system.

Mr. Mancini: If a case is appealed to the courts, then you keep that file open.

Mr. Brown: Yes, because it is not closed.

There is another thing I think you should know. We have a case called O'Malley versus Simpsons-Sears. It has been in the Supreme Court of Canada for a couple of years at least, and there are other cases depending on that decision. The legal principles involved are awaiting resolution of that case. So those cases will still be open on the commission's book.

Canon Purcell: But when that O'Malley decision is made by the Supreme Court, you will no doubt read in the paper that this has been on the human rights commission's books for six years, so that will really add to your statistics.

There are other problems that we cannot blame on the courts. Some of our complainants leave the country and we cannot find them, but that still shows up as a case. We get all ready to deal with a complainant or a respondent, and he asks for the lawyer, who says, "I cannot come at this point." The next time we try to get the two groups together, then the complainant cannot come, because she or he is ill or something.

It is incredible. This is something I have gone into myself when someone would draw my attention to a case that had seemingly dragged on. I would blow my stack and try to find out what the hell was going on. Then when I get into it and we go through it step by step by step, it is over two years. I do not know the answer to some of those problems.

Nearly 60 per cent of the cases are being settled in six months or less. The group that goes over a year is the area that really is problematic. I think what we sometimes need in a situation like that is some specialty person who could move right in, take whatever there are, 50 or 60 of those cases, and find out how we can expedite them, how we can get them back in the system, because sometimes, I am afraid--and this is not a criticism--they perhaps can get lost, set aside with the daily pressure of all the other more current cases.

Mr. Mancini: I understand that. I think of the Wei Fu case. It took probably a year before it even got to the board of inquiry, which to me appears to be an awfully long time before a decision like that is made.

I want to refer back to the international organizations you are involved with and work with. You mentioned you had gone to Russia, met with the refuseniks and others. I was wondering if you could give us a little more detail on the trip to Russia. You mentioned that Mr. Nixon--

Canon Purcell: I gave this quite an extensive coverage, which I could repeat.

Mr. Mancini: I looked through it.

Cannon Purcell: Just to take that section on page 3, there are federal and provincial parliamentary committees on Soviet Jewry. A Jewish woman put together a group of people to go as tourists to try to visit refuseniks, so we could bring the story out. They do not always have a way of getting the story out. You are not allowed to do this. My wife was very apprehensive about my going, and she said, "What if you are arrested for doing something illegal?" I said: "You should be so happy. I will be on the first plane home, once I get out of jail." That did not calm her fears too much.

The point here was that this Jewish woman tried to put together a couple of clergymen, and I went primarily as a clergyman. Then there were Stan Lucyk, a United Church minister, Bob Nixon, a member of the Legislature and a female journalist from Ottawa.

Mr. Chairman: Who was that member of the Legislature who went? What is his name?

Canon Purcell: Mr. Robert Nixon.

Interjections.

Mr. Chairman: Surely this is not possible.

Canon Purcell: Anyway, we went. The Jewish woman who had set it up was denied a visa two days before we were to leave. She knew some of these people, their addresses, their phone numbers, etc. It is very difficult to make contact with them once you get there, because they feel you may well be KGB agents or something.

I think the thinking of the Soviet embassy was that if it put an end to Wendy's visa, the rest of us would not go. That just made us all the more determined that we should go, and we did go. We memorized the names, phone numbers and addresses, because there are no phone books. During the first two days, every time we phoned someone in Moscow and said who we were, the person would say: "Yes, certainly. Goodbye."

Eventually one professor, who had lost his job at the University of Moscow, took a chance on us. We went to his home in the middle of the night and we were able to meet with him. Once having done that, the grapevine system worked beautifully, and we were able to make contact with others. By the time we got to Leningrad, the underground were expecting us. When we got to Riga, they were expecting us, and so on.

This has been very helpful from my point of view because, on coming home, I have addressed dozens and dozens of Jewish groups in synagogues and temples. They have Sunday morning breakfasts for adult education, and I am able to talk about the code and about my trip. Half of it is about the trip and half of it is about the Ontario Human Right Code. This has been marvellous.

Out of this also has come a meeting of religious leaders. This was raised this morning. Are our religious leaders really trying to pour oil on to troubled waters, or are they pouring oil and then lighting fire to it? Some religious leaders can perhaps be guilty of that in our society; so we are trying to bring the religious leaders of our community together and ask them for their support and help to set some example of tolerance and that sort of thing.

3:50 p.m.

Mr. Mancini: I am assuming one of your objectives was to strengthen the people over there.

Canon Purcell: Yes.

Mr. Mancini: I am assuming what you wanted was to let them know that people outside really cared, that we actually knew about them and that this was going to be made known, which I think is a very good thing to do.

Just an aside, I assume you were followed by the KGB everywhere. I am not assuming they let Robert Nixon enter the country with the chairman of the Ontario Human Rights Commission and go off wherever you felt like it. These people that you were--

Canon Purcell: It was good. It was an interesting exercise in who could outfox whom.

Mr. Mancini: I am not sure Robert moves that fast.

Mr. Chairman: There is a good quote in this letter.

Canon Purcell: Yes.

Mr. Chairman: Just to quote Mr. Nixon:

"Our visit to the Soviet Union has persuaded me that working for détente, encouraging Canadians to inform themselves and establishing connections across the Iron Curtain, is not entirely unrealistic and naïve and in the long run is perhaps our best hope."

Those are fine words.

Mr. Warner: Take that with you to the board.

Canon Purcell: It was one of the most profound experiences I have ever had in my life. I will never be the same again. Do not read too much into that. You can ask Robert what that means, though.

Mr. Mancini: This leads me to the question we almost got to this morning, and that was your refusal to debate with the Ku Klux Klan and your feelings that the court case with Zundel and, I am assuming, the one with Keegstra did more to hurt the situation than improve it. I was wondering how you decided that.

Canon Purcell: I said there are two schools of thought on that. There are those who say that does give those kind of people a platform--

Mr. Mancini: What is your school of thought?

Canon Purcell: I tried to explain this morning that I am torn. I even said that in the end, I am not sure what the answer to that is. That is a very much a judgement call about the Ku Klux Klan. In retrospect and in hindsight, it looked like the best thing. At the time I did not know which way to play it. I would have no problem taking them on. I will take on anybody. I could not have survived the Anglican priesthood for the past 30 years if I had not been prepared to take on bishops and archbishops. I am not scared of anybody.

Mr. Mancini: I fully understand that, but I guess we are getting a feeling across North America and Europe that it is okay to visit places such as the Soviet Union and places such as Libya, which has just recently expelled 28,000 guest workers, as it calls them, and created I do not know how much havoc for one of its

neighbouring countries and caused a lot of sorrow. We can visit those places, but when we want to tackle people such as the South Africans, the first thing we do is say, "We are not going to visit." It is government policy that we do not visit. The Ombudsman does not go. The chairman of the Ontario Human Rights Commission does not go. We just do not go there and lend to the people in South Africa the same type of support that you wanted to and did give to the Soviet Jewry. What is the difference? I am trying to figure out what the difference is.

Canon Purcell: If Bishop Tutu invited me to come to South Africa, I would go tomorrow. I will go to South Africa as a guest of Bishop Tutu. I will not go as a guest of the government.

Mr. Mancini: But you did not go as the guest of the government when you went to the Soviet Union either.

Canon Purcell: No, absolutely.

Mr. Mancini: Okay. So let us talk on the same terms then.

Canon Purcell: All right. I am. I am confused as the devil about their problem. Honestly. I will go to South Africa, but I will not go as a guest. I will go as a guest of Bishop Tutu. I will go to visit my friend--he is a personal friend of mine--and to find out what the problem is.

My objection to the Ombudsman going was that this was a government thing that he was going to go to and be sort of used. The white press would say, "Look at all these wonderful Ombudsmen are coming from all over the world to help us set up one." You could have four million Ombudsmen in South Africa and it would not do any good for the blacks.

Mr. Mancini: That is right.

Canon Purcell: You could have four million human rights commissioners in the Soviet Union and it would not help. I went there as a private citizen. As a matter of fact, they asked the reason for my visit. I said, "I am going to visit my friend the archbishop of Leningrad," which I did.

Mr. Mancini: You told a white lie.

Canon Purcell: No. I went and I saw him.

Mr. Warner: Were you telling lies?

Canon Purcell: I saw him. Now, what I did in between is--

Interjections.

Canon Purcell: It is not for the record.

Mr. Warner: Nixon did it, but the clergy would not.

Canon Purcell: Seriously, I would like to handle that better. I am not answering your concern.

Mr. Mancini: I would like it handled better too. When I read about Ted Kennedy's trip to South Africa, there were a lot of pros and cons about that, because I guess they initiated some demonstrations there challenging him as to why he came. I guess the government there has the power to do these things. However, I think his trip did a lot of good. He came back the same way you were able to do and could speak about these things and to people who could make decisions.

Canon Purcell: The sad thing was that some clergy went as guests, but their way was paid by South Africa and they only saw all the things the government wanted them to.

Mr. Mancini: Yes, that is the difference.

Canon Purcell: That is something with which I would not have one ounce of truck but, as I say, I would not hesitate to go to South Africa and spend a week with Bishop Tutu, if I can muster the guts to go and do that.

Mr. Mancini: I do not think that would be improper. As a matter of fact, I think it would be helpful.

Canon Purcell: I am just wondering if I have the courage.

Mr. Mancini: I want to ask Mr. Brown his opinion of this discussion.

Mr. Chairman: This is a touch off the topic. I will let it go for a couple of more minutes. Just a quick response, please.

Mr. Mancini: Yes. Mr. Brown, what do you think of the tone of this discussion? What are your personal feelings?

Mr. Chairman: He is having the same problem making the connection between the activities of the Ontario Human Rights Commission and a private visit by the chairman that I had.

Mr. Mancini: Okay, we will leave it. Let us go on.

Interjections.

Mr. Brown: Mr. Chairman, honestly, I cannot understand the essence of the problem. I am trying.

Mr. Mancini: I understand. It was important, I guess, because it was brought up earlier, but we can discuss it later, possibly in a better forum.

I want to get to one of my favourite topics, and that is legal fees. What are the legal fees per year of the commission?

Mr. Brown: That is a question we cannot answer right now. I will tell you why. For a lot of the legal services supplied to the commission, especially with respect to modes of inquiry, the lawyers are supplied by the Ministry of the Attorney General. We would have some way of producing figures.

Mr. Mancini: Let us exclude that. Do you use the private services of legal offices a great deal?

Mr. Brown: No, we do that very little. We have to get permission from the Attorney General to go outside. In addition to that, we have two lawyers on staff.

Mr. Mancini: Are they full-time?

Mr. Brown: Yes. They are Yan Lazor and Tanya Wacyk, who are on secondment to us from another branch of the Ministry of Labour. Besides that, we also have legal work performed for the commission by the legal branch of the ministry.

4 p.m.

Canon Purcell: We do not spend a lot in private law firms, because we try to do it within the system. However, we also try to provide the best possible legal advice for a complainant once we decide to go for a board. One of the great strengths of this commission is that, no matter how disadvantaged you might be, you will be afforded the best possible legal services. That is terribly important.

Whatever we spend in that area would be money well spent. I would want somebody up in Moose Factory or somewhere to have the best possible legal advice, no matter who our complainants are. Once we decide to go for a board, we give them the best possible legal assistance, free of charge. That is part and parcel of our human rights legislation. It is one of the great differences between us and British Columbia. If you want to pursue the case, you have to pay the shot. That is bad.

Mrs. Marland: For the record, I would like to state my background on this subject to clarify the point I am coming from with my questions.

As a member of the city of Mississauga council in 1979, I was the instigator in establishing a committee on human relations in Mississauga. That name was very carefully selected. We all knew what it was, but we decided rather than flag it as racial relations, to call it human relations. Also, as a city councillor, I established an affirmative action committee in Mississauga. We actually called it a task force. My involvement in those two areas has been committed and very sincere.

Sadly, I have to tell you that human relations committee had to be disbanded. Dr. Ubale is familiar with it. I know he attended a few of our meetings with one of his very able staff, Ms. Raj Chopra, supervisor of community relations. I think she is still working for him. I commend Ms. Chopra for an excellent job. I still see her now in working in that field. I was impressed with her seven years ago and I am still impressed with her.

Canon Purcell: You will be pleased to know that committee is being resurrected under a new title or something; so your work was not in vain.

Mrs. Marland: I just left the city at the end of June. I knew they were looking at starting it again.

It was quite a large committee, of about 14 people, and we carefully selected representatives from a cross-section of our community. Mississauga is very much a multicultural community. It has some of the problems of the inner city of Toronto now. We are no longer the bedroom community of Toronto as we were perceived. We are now a city of 350,000 people. Naturally we have all the problems that a city of that size can have, and we have all the good things too.

Canon Purcell: That little commercial being over, what--

Mrs. Marland: That committee failed because there was more racial discrimination on the committee than there was in the community of Mississauga. It was a disaster.

Canon Purcell: This is what we are referring to--how difficult these things are. You cannot blame that on compliance.

Mrs. Marland: I concede that. They are very difficult, and the benchmark about where to start to begin to deal with it is difficult.

There were some comments this morning about what the police forces are doing. Again, for the record, I would like to state that the Peel Regional Police was the first police force in Canada to do psychological testing for its recruitment program in the field of racial discrimination, and it has been doing it for about seven years.

The subject of how the police handle things was addressed, and I find it very interesting how sometimes through our attempts to be sensitive and to try to deal with this problem we go too far the other way. As an example, yesterday morning I heard on the radio of a case in which an individual had been arrested for some awful crime on the weekend. The description of the person was that he was a white male aged so and so, and such and such was his description. I thought, "Is that not interesting?" You seldom, if ever, hear about a black male or a yellow male. You never hear a colour description of a male or a female now unless it is white.

An example I can give you is about the time the three young men--actually, it was four; but there were three main ones--who were arrested in the Barbara Turnbull shooting, which happened to have taken place in my jurisdiction. I knew what colour they were because I knew two of the families, but to give the media their due, I thought it was excellent that nobody else knew. It was not a focal point, and it has not been a focal point in a number of cases. But equally I do not think it should have been a focal point in yesterday's reports of a white male, and I think sometimes that is happening.

When the human rights commission deals with straight compliance with established practices, that is fairly simple because the established practice is law and it is written down somewhere. It is either complied with or it is not, and you have that reference point.

Canon Purcell: It is not all that easy.

Mrs. Marland: It is easier than what I am going to ask you.

Canon Purcell: All right.

Mrs. Marland: I recall a case--maybe all the facts are wrong and maybe they have all become distorted over the years--that had to do with a large industry in Brampton where a young person had been carrying a knife in his sock. His supervisor fired him because he would not come to work without that knife in his sock. He was suspended and ultimately fired.

Then he went to the human rights commission, and the hearing took more than two years--for any number of reasons I am sure, but for that time he was unemployed. In the hearing he was apparently able to prove--I am going only by the media, and there may be a thousand cases like this--that this type of weapon was a ritual thing for him, for his ethnic background.

Dr. Ubale: Religion.

Mrs. Marland: His religion, perhaps. As such, the commission said it was acceptable for him to have that weapon, because for him it was not a weapon; for him it was part of his ritual and the background he had come from. Whatever corporation it was--maybe it was Northern Telecom--was forced to reinstate him and pay his back salary for the two years he had been suspended. Most important of all, he was allowed to continue wearing this knife.

4:10 p.m.

What I have difficulty with, and to me it does not matter what the background of any of those individuals was, is the principle here. I remember learning a long time ago that as we grow up, each of us, wherever we come from--I was in England until I was 18--comes with a background that gives us a window of reference; that is the best way I can describe it.

Through our years, wherever we live and wherever we grow up, we are looking through our window of reference. Through that window, depending on where we live, we see different things. We may be growing up in a country where it is acceptable to expectorate on the pavement or void on a street corner, or we may grow up in a country where that is totally unacceptable and other things are acceptable or are not. There is a great variety. But whatever our window of reference is, that is where we base our personal judgement.

I was trying to count the number of people who actually sit on the board of the Ontario Human Rights Commission and I did not know whether everybody was in this photograph or not.

Canon Purcell: There are 11 or 12 people. Some people were away that day; Dr. Ubale was, I think.

Mrs. Marland: I noticed that. There are actually eight in the picture. From the photograph and the names, and also the descriptions of the other four people, I see a multicultural background, fortunately, which is as it should be. I also recognize that all of those individuals would be as individual as all of us in this room today, with our windows of reference.

Canon Purcell: I cannot guarantee that, as chairman.

Mrs. Marland: If you had said that we all have individual windows of reference, and when you all come from such different backgrounds, how can a human rights commission for a province, let alone for a country, decide--outside of the compliance things that are written in law--what is acceptable and what is not? How can it go about establishing a Canadian or an Ontarian standard?

To refer back to that case, another individual working in the same plant, but from another ethnic background, would not be permitted to wear that weapon.

Canon Purcell: First, let me say it is not easy. The 11 commissioners sit down and try to work out these things and arrive at a consensus. I have been chairman for three years. You would not believe I am only 29, would you? I have aged rapidly.

It is not an easy situation but we try to respect the dignity and rights of everyone. You may have a religion that says the kirpan has the same status as the turban and comb. Those are very sacred objects for the Sikh religion and we try to respect the religious rites of everyone within the context, as you say, of the Canadian or Ontarian environment. You would be surprised how unanimous most of our decisions are. We really work on these problems and try to solve them, taking into consideration everybody's different points of view. We work at this. This is one of the exciting parts of my work.

In that case, there would be no earthly reason how I, as an Anglican, could justify coming to that meeting with a knife--as much as I might want to on some occasions. But if Dr. Ubale were a Sikh, it would be quite in order for him to arrive with his basic religious attire. That would be totally and completely respected.

I am a great believer in the idea that we do not want everybody brought into some kind of common denominator. One of the exciting things about our visible ethnic minority groups is that they enrich us, give us new religious customs, new ideas and foods. People worry about the business of Christmas time in the schools. I say put all of the religious ideas to work. Teach all the children different views--Hanukkah, the Jewish ideas, Christian ideas, Hindu, Buddhism. I think this is part and parcel of enriching our society, and the last thing I would want would be trying to put everybody into some kind of common mould.

Interjection.

Mrs. Marland: Just a minute. I am not giving up the floor yet.

Dr. Ubale: I am aware of the case to which you refer.

Mrs. Marland: I do not even remember the name or anything.

Dr. Ubale: I remember the case. You must remember the code says one shall not discriminate on the basis of religion. This man was wearing his kirpan, which is a religious requirement. He alleged that he was discriminated against on the basis of his religion. He was asked to take off the kirpan and he said, "No."

Mrs. Marland: Is that a knife, Dr. Ubale?

Dr. Ubale: No. It is a kirpan. A kirpan is a form of knife but not the kind of knife we use, not a butcher's knife. It is a religious symbol. That is accepted. He filed a complaint with the commission, saying his religious rights were denied.

The commission deliberated and we decided his religious rights were violated. We requested the minister at that time to appoint a board of inquiry. It was the board of inquiry that gave that decision, not the commission. The respondent company came before the board of inquiry and presented its whole argument. The Sikhs brought a religious leader and others to support their argument. The board chairman ruled he should be allowed to wear it. It was not a bona fide job requirement that he should remove his kirpan.

There are other cases. There is one Sikh lady who wears a bangle. That is a religious requirement. She was working on a lathe machine, and she was laid off for the simple reason that it was likely to create an injury, not only to her but to co-workers. The commission heard the case but ruled that, although it is a religious requirement, it was creating a problem for others; therefore, it was necessary that it not be worn on the job.

We suggested she should take equal work here. She refused to do it and as a result the commission dismissed the case. Our point was that she would not make a reasonable accommodation.

Mrs. Marland: It is unfortunate that it was as late in the day as it is before I got to speak. I should point out I was here at 12:20.

Mr. Chairman: So was I.

Mrs. Marland: I think if there was one commission, board or crown corporation appointment in this province that I would give my right arm for--and I am left-handed--

Mr. Chairman: This is not much of an offer.

4:20 p.m.

Mrs. Marland: No, but I have said for about 12 years now the appointment I would like would be to the human rights commission. I feel its mandate is very challenging, and I recognize that keenly and respect it. It is an area we obviously

cannot discuss at 4:30 p.m. after having been here all day.

I am not talking about multicultural culinary events or so on. You mentioned all the different foods and the religious rites and the festivals. I am not talking about that. That beautiful mosaic has made Canada what it is today, but I do feel there are some areas where a window of reference should be established for this province and for this country. There are still things acceptable in Canada that are not acceptable somewhere else, and vice versa.

I am not talking about a turban or any of these other things you mentioned. I gave an example of something that could be used as a weapon and yet another person wearing exactly the same thing would not be permitted to wear it in that job. To me, there is not a standardization there. There is not a window of reference there and that is the thing.

I also realize the Ontario Human Rights Commission is very young and you have come a phenomenally long way under very difficult circumstances. Some of the conversation we had earlier this afternoon, even by the people from the race relations division, only goes to emphasize the difficulty and the challenge you face. I can see that completely.

However, I feel there is a whole area that will not become any lighter, no matter how many boards of inquiry we have or how many cases we clear and how many people we help, until we establish something that everybody very easily refers to. There should be a window of reference that could encapsulate a number of--I cannot think of a better word--benchmarks for a number of areas so that everybody referred to those, not just the commission people but the man in the street.

It is true there are hundreds of countries in the world where you could void on the pavement and it is not a problem for anybody. That is not permitted here. That is perhaps a poor example but it is an example of something we are saying "No" to, to everybody, and yet there are things we are saying "Yes" to, to some people in Ontario and not to others. That is a difficulty for you equally as it is for us.

In closing, I want to commend you all very much for your commitment to a very difficult challenge. Some time, I have no idea when but perhaps down the road in the future when I ever have time and perhaps am out of what I am doing now, it is an area I would very much enjoy getting into.

Canon Purcell: You would enjoy it.

Dr. Ubale: You spoke about the radio news item yesterday about the white man.

Mrs. Marland: Yes.

Dr. Ubale: We have been talking to news media. It used to happen whenever a minority was arrested, they would give his name and nationality. We said, "Look, once the arrest is made,

what is the difference what his nationality is or where he came from with reference to the case?"

If you are trying to locate a suspect, give his racial description, because otherwise the public will not be able to assist the police force in recognizing him. In those cases, even if it is a black or yellow person who commits a crime and he is on the run, give all the description. It is in that way yesterday the description given was white male, looking like this, five foot nine inches or whatever the case may be. That is permissible only in that context.

Mrs. Marland: You may be right. That is probably what it was yesterday.

Dr. Ubale: Otherwise, how would the public apprehend?

Mr. Bossy: I want to go back to the functioning of the commission and your work load. Looking at these 1,507 cases that were still in process at the end of 1984-85, what percentage of those cases would have been referred to a board of inquiry?

Canon Purcell: We appointed 42 boards last year.

Mr. Bossy: In other words, the commission dealt with all the other cases that were solved. Could this possibly be part of some of the cases that are being held up? Is this board that is appointed by the minister always the same board?

Canon Purcell: No, but it is always hard to get board chairmen, who come from a list of professors or something. I do not have anything to do with this, but I understand they have to get someone. The other day in Ottawa we had to get a bilingual board chairman. The person who was sought after was not available. He was going on sabbatical. There are all these things.

Mr. Bossy: When the minister appoints a board, it should be a board in the locality of the case, where the case actually is from, whether it is Ottawa, Windsor or wherever.

Canon Purcell: As I told you, I come from eastern Ontario. Last week there was a board to be in Smiths Falls. When the board was called, they all gathered there. Then the municipality of Smiths Falls asked for a delay because the mayor was sick or something. I do not know. Dear knows when that will be done again. That is going to be one of those two- or three-year jobs.

Mr. Bossy: This is an area I want to pursue because of these problems Mr. Mancini mentioned that cause cases to drag on--the unavailability of these people to serve on that board in a reasonably full-time capacity to expedite the case. This could be a year long holdup in cases with the board of inquiry.

In establishing these boards of inquiry, maybe we should broaden the base as to whom we draw from and who serves on those boards of inquiry. Must it be law professors? As it states in

here, the Minister of Labour can appoint one or more persons to sit on a board. Board members are usually law professors. We are more or less saying that these people come from the educational institutions more than from the--

Canon Purcell: I think you would be perfectly in order to recommend to the Minister of Labour that he expand his list of board chairmen. The more board chairmen he has, the faster he can appoint.

Mr. Bossy: The commission is being accused of not going fast enough. That is what I am trying to get at. The minister could be at fault here. We have to look at that. But the facts of life are that the commission is the culprit for not having these cases go through fast enough. Are there other mechanisms to handle this? There are 1,500 cases. There are 365 days in a year. Try to figure out how many years it is going to be. They are coming on stream every day and going up, according to the figures we see. God knows, in another year, if we have such new business a year, how many more cases are going to be in abeyance or waiting to be resolved.

Mr. Brown: Might I add something to that, please? The code mentions more boards of inquiry. Because of the possibility of appeal from a decision of a board of inquiry on law or facts or both, the tradition has been maintained that the minister appoints board chairmen from law professors. There is nothing to suggest this will expedite the process, that more than one person could not be appointed to the board. They are paid, and so there is a question of resources too.

4:30 p.m.

The other thing we should bear in mind is the code suggests that once the board is appointed, the hearing has to be commenced within 30 days. More often than not, the people on both sides get high-powered lawyers. The board chairman has to try to get a date to fit everybody. If you know how the legal profession operates, they have cases in courts all over. Some of these delays have been caused by the kind of legal representation that is available. Nothing is done out of any disregard for fair play in this area; it is just because of the high-calibre nature of the legal representation.

I think the point is taken. There is nothing in the code to suggest that the tradition for appointing law professors has to be maintained at the expense of the progression of a case.

Mr. Bossy: It nearly follows the middle on what Mrs. Marland said as far as the human aspect of it is concerned, that sometimes even though you are a law professor you may not have as big a heart. As you say, you have to have heart when you are dealing with human rights. I have seen legal people who do not have too much heart, at least in my eyes, but the facts of life are that there could be other professional people who could be equally qualified to sit on a board of inquiry and to help to expedite a case. How long can we tolerate 1,500 cases--

Canon Purcell: Sir, only five per cent of those will ever end up as boards of inquiry. We handle all the others ourselves.

Mr. Bossy: Well, then, what are you doing about it?

Canon Purcell: Hit me again while I am still breathing.

Mr. McKessock: Is it automatic or does the human rights commission have to take the decision of the board of inquiry?

Canon Purcell: We will sometimes appeal them.

Mr. McKessock: To go back to the case for a minute where the fellow was fired for carrying a knife and then he was reinstated because it was part of his religion, is it a criminal offence for me to carry a knife in Ontario?

Canon Purcell: I do not know. My father has carried a jack-knife for 84 years, so I do not know whether he is breaking the law or not. He uses it to cut his tobacco.

Mr. McKessock: It seemed to me that we were saying it was illegal to carry a knife, or was it just in the plant where he was working--

Mr. Ignatieff: It was the employer's policy.

Canon Purcell: The employer made up the rules.

Mr. McKessock: So he was not breaking any law of the land other than the law of his employer?

Canon Purcell: I do not think so.

Mr. McKessock: That was what I was wondering. In your cases, would there be any time when you could not really go against the law of the land to allow somebody to do something? You could not override the law? If the law was that he was not to carry a knife, you could not make an exception?

Canon Purcell: Not normally. The human rights legislation does take precedence over all other legislation, but I am sure it does not take precedence over laws, from that point of view.

With respect to the Etobicoke fireman, we appealed the decision that he did not have to retire at age 60 and we eventually took it to the Supreme Court of Canada. The court said that our legislation took precedence over that agreement between the municipality of Etobicoke and the firefighters. That was a legal agreement, but our legislation took precedence over that.

Mr. McKessock: Then you would be changing the whole law in the system, I guess.

Canon Purcell: That is right, and that is what happened in that case.

Mr. McKessock: Supposing another fellow at this factory working alongside him decided he wanted to carry a knife too and the employer again said he could not. Could he, in turn, go to you and say it is against his human rights? "My neighbour is carrying a knife, why can't I?"

Mr. Ignatieff: Can I just interrupt for a second to correct a matter that we may have misled you on?

Canon Purcell: Sure.

Mr. Ignatieff: Apparently, according to one of our legal advisers, it is indeed illegal to carry a weapon and it would be contrary to the Criminal Code. That decision turned on whether the kirpan was or was not a weapon, and it was found not to be a weapon.

Mr. McKessock: But it was a knife.

Mr. Ignatieff: A knife is not a weapon.

Mr. Newman: Only when it kills.

Mr. Ignatieff: It was a symbolic knife.

Mr. McKessock: I would caution the human rights commission against making decisions that go against employers in things that are pretty close to breaking the law.

Canon Purcell: As Dr. Ubale pointed out, that was not our decision in the end. It was an independent board of inquiry headed by a law professor. The law professor must know what the Criminal Code says. That is one good reason for having law professors. That particular case was a ruling by an independent board. We did not advocate in that case going against the law.

Mr. McKessock: Yes. I question the decisions of some of these higher courts and law professors as well. Anyway, thank you.

Mr. Warner: I will be brief; you know I always am. I hesitate, but I want to jump in here, because I think the actions of the commission in receiving a complaint and activating the inquiry have done something very substantial. The individual was carrying a religious symbol. He can substantiate that it is a symbol of his religion. If the person next to him is not of the same religion, he cannot substantiate that the object is a religious symbol. In fact, all he can substantiate is that the object is then a weapon.

Mr. McKessock: My point was that you should not break the law to allow any symbol--

Mr. Warner: We are not breaking any laws. What we are doing is recognizing that we live in a pluralistic society and that we have as a foundation--

Mr. Chairman: We are waiting for the question.

Mr. McKessock: He was looking at me, so I tried to answer.

Mr. Chairman: But you are not a witness yet.

Mr. Warner: Do you mean you want actual questions?

Mr. Chairman: Yes.

Mr. Warner: Will the commission substantiate that what is at work here is that we are establishing that we live in a pluralistic society and have a multicultural policy for our country? Part of that is the recognition of the individuality of each and everyone's religion and religious following. By so doing, we recognize that an individual may carry religious symbols and that is not to be confused in any way with someone who would carry the same object but not for a religious purpose. We should not confuse those purposes and not confuse the difference between a symbol and a weapon.

The individual carrying the object knows full well what it is. It is sacred to him. He does not carry it as a weapon. Some other individual who does not belong to that religion would not have the same purpose in carrying the object. Would the commission agree that that is what is at work, that is why the case was important and why it needed to be substantiated through an inquiry?

Mr. Chairman: The witness has answered yes.

We thank you for being with us today. It has been a long day. I think you noted that the members are very much interested in the work of the Ontario Human Rights Commission. We did have a lot of questions and we may even have more.

As we tell every other agency, if we think of them between now and the time we write the report, we will give them a call or pay them a visit. We would like to extend to you the same opportunity. If you think of something you would like this committee to be aware of between now and the time we sit down to write a report, we would appreciate your taking the time to let us know.

We thank you very much for your tolerance and your patience with this group today. The committee stands adjourned until 10 o'clock tomorrow morning.

The committee adjourned at 4:39 p.m.

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STANDING COMMITTEE ON PROCEDURAL AFFAIRS AND AGENCIES, BOARDS
AND COMMISSIONS

ONTARIO ECONOMIC COUNCIL

THURSDAY, SEPTEMBER 5, 1985

STANDING COMMITTEE ON PROCEDURAL AFFAIRS AND AGENCIES,
BOARDS AND COMMISSIONS

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LEGISLATIVE ASSEMBLY OF ONTARIO

STANDING COMMITTEE ON PROCEDURAL AFFAIRS AND
AGENCIES, BOARDS AND COMMISSIONS

Thursday, September 5, 1985

The committee met at 10:15 a.m. in room 228.

ONTARIO ECONOMIC COUNCIL

Mr. Chairman: I call the committee to order. This morning we are listening to the Ontario Economic Council, and we have from the council Dr. Courchene, who is the chairman, Dr. Conklin, Dr. Gail Cook, Dr. John Grant, Dr. Doug Auld, Bill Jones and Sharon Wahl.

For the purposes of making our guests this morning a little more familiar with the process, what we are doing here as a committee of the Legislature is reviewing a group of agencies.

Our objective is to get some sense of whether the agency has fulfilled its mandate, continues to do that, is encountering some difficulties, requires some legislative changes, has some operational problems, budgetary problems, does something useful, does not do anything any more--a variety of things to meet different circumstances.

One of the problems is that the agencies we review are very different in nature. Some are very active, and some do not do very much. Some are called into action when needed, some meet once a year and some meet every week. We see quite a variety of agencies before us.

It is our job to make recommendations, and we do table a report in the Legislature with a list of recommendations and comments about how we perceive the agency and what the government might do to either put it out of its misery or make it work more efficiently or whatever the committee decides is appropriate.

The purpose of the hearing today, which is not really a public hearing, is to provide an opportunity for your council to appear before us and exchange information. Normally what we do is we offer to the agency a chance to make some general opening remarks of whatever duration you want. I will then go through the questions that have been prepared by our researcher, John Eichmanis, and we will open it up for questions and conversation by members of the committee.

We have Hansard operating this morning, and it would assist them if you identify yourself before you make your comments. Dr. Courchene, would you like to start?

Dr. Courchene: Thank you. While you have identified the people here from the council, I would like to personalize them a bit. We have our entire executive committee here today, composed of John Grant, Gail Cook, Doug Auld and Bill Jones, plus our

research director, David Conklin, and our administrative secretary, Sharon Wahl.

Our initial correspondence was to the point that the committee was going to come over to the council and have a discussion with us there. We were informed yesterday that is not the way the committee operates, but we would like to extend to all of you an invitation to come to the council to see our facilities and chat with our people.

I understand the committee would appreciate a brief overview of council's role and mandate.

Mr. Sterling: Maybe we should express why we are not going out any more. We were at the stockyards on Tuesday.

Dr. Courchene: I see. I always like nice, leading introductory statements.

Mr. Chairman: Do not let them harass you.

Dr. Courchene: Let me begin by noting that the Ontario Economic Council is the oldest economic and public policy research group in Canada. Established in 1962, the council is now in its 23rd year, one year older than the Economic Council of Canada. We believe that over the years the council has established a very solid reputation founded on an academically credible body of research and a commitment to transmit the results intelligently to the public.

The council's mandate is to contribute to public awareness, discussion and understanding of socioeconomic issues of special significance for the people of Ontario. To fulfil this role, the council engages in two general sorts of activities:

(1) researching and publishing studies on those issues that are deemed by council to be of importance to the province and (2) holding seminars and conferences designed to stimulate public awareness of socioeconomic issues.

10:20 a.m.

In reviewing some aspects of the council's work, it is convenient to begin with the reorganization of the council in 1973. From that point until 1980 or so, the council's research was focused largely in four areas: education, health, housing and social security. Attention was directed towards considerations such as program design, universality, administration, incentives and equity. In those heady days of rapid growth of governments, not only was this focus appropriate but in the process the council also firmly established its reputation for the integrity and quality of its research. Even now its work on health, for example, is utilized around the world.

However, with the advent of the 1980s and the deteriorating economic conditions, the council underwent an internal review exercise, the result of which was a shift in its research focus from social policy more towards economic policy. In particular, industrial policy and industrial adjustment emerged as the new

research themes, which incorporated areas such as trade policies, industrial incentives, bailouts, regional initiatives and studies related to several of Ontario's key sectors, such as pulp and paper and automobiles. Most of this research has now been completed, although not all has yet been published.

Earlier this year the council began a further reorientation. Although the new research themes have not passed the council for final approval, I can say that one important theme will be Ontario's position in the federation. There is some urgency to parts of this new research, because Ottawa and the provinces are about to enter a very critical phase in their negotiation of the next five years of intergovernmental fiscal arrangements, which, as you know, encompass medicare, social policy, equalization and funding for post-secondary education.

Normally, these research studies represent a research commitment on the part of authors for periods of up to two years. However, the council also utilizes other avenues to focus on issues that are shorter term in nature.

One of these initiatives is the council conference format. During the past five years the council has held public conferences on energy policy, stagflation, Canada-US free trade, deficits, post-secondary education, pension reform and public sector compensation, among others. Participants in these conferences are drawn from the academy, government, business, labour and various other groups. Some of the topics are under federal rather than provincial jurisdiction, but they are all obviously critical to the socioeconomic future of our province, and in all cases the council ensures there is a significant focus on the implications for Ontario.

Another aspect of the council's activities is to develop position papers on issues that are of importance to the province. During my tenure as chairman, and with the help of the council, we have issued four such position papers: on pension policy--I think that has just been passed out--on deficits, on whether Ontario should adopt a personal income tax and on the process of correcting the taxation of business income for inflation.

Let me illustrate our operations with two examples drawn from our forthcoming conferences. The first of these will be on federal support for post-secondary education. Two important documents containing far-reaching proposals in this area have recently been published. The first is Al Johnson's one-man royal commission report, as it were, for the Secretary of State in which he offers several alternatives to federal funding, including converting the present funding system into one that requires matching support on the part of the provinces.

The second is contained in the Macdonald commission report, to be released later today. As I understand it, the commission will recommend that most of Ottawa's support to higher education be delivered via grants to students, which would then be captured by universities through higher tuition fees.

These alternative approaches will be researched and

evaluated at our small conference. In addition to publishing the conference volume, which will feed into the federal-provincial negotiation process with respect to the fiscal arrangements, the council will likely attempt to issue a position paper on this subject. Given that we have already held a conference on the structure of post-secondary education internally in the province, this focus on the federal-provincial interface complements our earlier work and will permit a comprehensive overview of the sector.

The second conference, to be held in November, will focus on the value added tax. Much work has been done on the possibility of introducing this tax, the work being done in the federal Department of Finance, but since it somehow must be related to the current retail sales taxes levied in the provinces, the implications for Ontario are rather obvious. Hence the purpose of the conference will be to evaluate a value added tax from the Ontario perspective.

In conducting and publishing our research, we are fully aware that there are a variety of constituencies to which we could direct ourselves: the academics, the civil servants, the politicians, business and labour. In large measure this is the reason the council has a wide variety of publications. However, there are times when the very complexity of the issue being researched requires that the analysis become rather sophisticated.

I can give several examples. The study on Canada-US free trade develops a complicated empirical apparatus to appraise the potential costs and benefits of free trade. The study on regional policy involved considerable mathematical expertise. The study of the pulp and paper industry incorporated a sophisticated modelling procedure to capture the essence of the corporate tax system as it impacts on the industry.

These approaches make the core of these books virtually inaccessible to the intelligent layman. Although the policy implications are always clearly spelled out, none the less in each of these cases the studies have had a tremendous impact on the academic community because they have pushed out the frontiers of the discipline in ways that have provided an entirely fresh approach to the underlying policy issues. However, the council must attempt to strike a balance here. In recent years we have been moving away from the sophisticated analyses, although one cannot abandon them entirely.

Another area that requires balance is how close the council gets to government decision-making. To do research on topics that the government will decide upon in one way or another prior to our publication is not particularly useful. We are not privy to the information flows within the various ministries. Hence the council has generally taken the view that our research ought to be directed towards issues that will impinge on the provinces over the medium term. In this way we can serve to highlight those issues which will loom important in the near future but which the system has not as yet given adequate attention to. The conference format allows us the flexibility to focus where necessary on more pressing issues.

Included in the background material provided for this occasion you will find information relating to our budget. In real terms, the budget is lower than it was in the mid-1970s, yet our research output has increased. This has been due to the very substantial internal reorganization the council has put in place over the past several years.

Just as we were about to prepare this document, we also found that we have a very substantial budget cut, as of yesterday. We have not as yet sorted out the full implications of what it means for the council activities, but I think it will be rather dramatic.

Ending on that somewhat sad note, we will be more than happy to describe the various initiatives of the council and our overall budget position in the question period that follows. That is all I have to say for the present.

Mr. Chairman: Perhaps you could explain to us what role you see the council performing in the setting of policy in Ontario? Do you see a major role there for your council?

Dr. Courchene: I do not see a major role for the council to get involved in policy on a day-to-day basis. In earlier years we have set out some possible alternatives and their costs and benefits to the province; then when decisions become relevant to an issue in question, one can refer back to the council.

We are not a line department of government. We have never intended to be that. We are always open to requests by the government to look at particular issues. So far we have had only one. We were asked by the Treasurer a few years ago to investigate whether Ontario should adopt its own personal income tax. I think we fulfilled that mandate very effectively. We published our own position paper and two volumes of research. Our answer in that case was no, it is not time yet; there are other alternatives. The government accepted that.

10:30 a.m.

However, one implication of this is that Saskatchewan picked up our recommendations. We said in that volume that the present shared tax system with the federal government for personal income taxes is that the Ontario government and the other eight provinces which are signatories can assign a certain tax rate to the federal tax collector; in Ontario it is now 48 per cent. We said that in this age of computers it is just about as effective to assign your own rate and bracket structures to a commonly defined base. That is exactly what Saskatchewan picked up on when that province introduced a so-called flat tax in its budget this year.

One implication may be that the system is now open to maintain our unified structure of taxation but to allow the Ontario government, if it wishes, to assign its own rate and bracket structures to a commonly determined tax base.

In that sense, by looking at some of these underlying issues, we can feed directly into the policy process. Our work on

pensions, for example, was a comprehensive overview of some of the positions the Ontario government should consider seriously. We were offside from what the government did on one or two issues, but in general the later Ontario position paper came very close to the council's recommendations on pensions.

I can go through most of our research and talk about ways in which the council has provided a backdrop for the policymakers to be able to ascertain the costs and benefits of various alternative approaches, but we do not take part in the day-to-day decision-making.

Dr. Grant: I have been on the council for years, not in the chairman's role but as a simple member. It strikes me that the things the council has done while I have been on the council and what we have on our agenda for the fall and winter terms are of quite a different order than trying to assess what the Ministry of Treasury and Economics' problems are this month or will be in the coming session.

As an example of one of the projects we are currently considering, we are looking at the question of stewardship. Stewardship might mean, what is the weight of debt that governments are passing on to future generations and should we be taking a tougher view about getting the deficit down? What are the long-term as well as the short-term implications for the next generation's burden? What is the value of heritage? What is the value of conserving the older parts of our society? Does it make sense, for instance, to give them tax breaks or subsidies?

Those questions are important to Ontario in the medium-term context. They are not necessarily right up at the top of the agenda today. How shall we handle the pollution issues, nuclear waste, acid rain and other ways we make our society less livable? What about the exhaustible resources question?

Then there is the big question: Who is this stewardship for? It is an interesting question. When we talk about handing burdens on to the future, it is never clear whether we are thinking very much of our grandchildren's interests. On the other hand, we are handing them a better society in many ways. Is it because we are looking out for our grandchildren, or is it because we are looking out for number one and our grandchildren happen to get the benefit of what we have done in our own interest?

These are meaty issues, everyone will agree, with regard to setting not only private behavioural agendas but also public policy agendas. Somebody should be looking at those issues from a provincial perspective and not just from the perspective of a federal Macdonald commission or various other perfectly legitimate perspectives.

That is what it means to me to be on the council and to try to push for these kinds of things.

Mr. Chairman: I am sure other members will want to pick up on this; so we will have more discussion about it later. It has always been a fascinating process to try to establish exactly how

all these people who write the kind of reports that you write fit into the political process. You can never quite get a relationship established, let alone any kind of direct line role that they play.

For example, the documents you prepare--I happen to be one of the members here who reads them--are interesting. I agree there is a need for someone to do that kind of task, but how it fits in the process often mystifies me; for instance, the fact that we would do a study commissioned by an agency in Ontario and it is used by Saskatchewan but not used by Ontario.

I search for the relationship here. Why do we have this agency if we do not use the work it does or if we do not at least see the connections? As someone who works in the Legislature, I should be able to see the connections. If there is an agency out there and Ontario is funding it, there has to be a reason why we are doing that. When I look for the reason with your agency and a number of others, I sometimes have difficulty establishing exactly what this agency of Ontario does for the government.

While I agree wholeheartedly that the work has to be done by somebody, I am sometimes at a loss to figure out why we are connected with this agency. If you were a university, for example, I would say that you do tremendous work, that I like to read the papers you put out and that you provide a framework for a decision-making process, an exploration of options and all that. There would be no question about the kind of work you do. But the specific role you fill in a policy process is not clear. I imagine other members will want to have a whack at that later.

Mr. Sterling: But does that not stem from the fact they are concerned with long-term issues, which are of little relevance to politics in a practical sense?

Mr. Chairman: I would think a large element of politics is about long-term issues.

Mr. Sterling: They surely do not get debated very often.

Mr. Chairman: That is true.

Mr. McCaffrey: I would offer a gratuitous opinion--

Mr. Chairman: I knew you would.

Mr. McCaffrey: --and a key observation. Governments ignore all kinds of good work done in the academic community, by the council and by other bodies in society. I say this having spent, as has my colleague Norm Sterling, some years in cabinet. He and I have shared some frustrations. It boils down simply to this: Governments have their own agendas, rightly or wrongly. Paralleling the work the council was doing on pensions, we had a Treasurer who was very much a leader in bringing about some uniformity in pension legislation in the country. That they may never have met is a possibility. I suspect he was aware of their work. It is just a different agenda.

The political will has to be there, whether it is pensions or health care or some of these long-term things. If it is not

there, and Norm could talk about this at some length, there is nothing you can do about it.

Mr. Chairman: As a member, one of the reasons I find your work useful is that I am aware that the Treasurer, as one entity, has hundreds of people writing reports of this kind. I get to see the ones he wants me to see. I do not get to see the ones he does not want made public. Yours is the only work of this kind that is available to everybody.

What about the fact that you have begun to contract out work lately? The original idea was that we would have a council which would do this kind of study. If the council does not do it, but contracts it out to other people, why do we need a council? Why do we not get a committee of the Legislature, or the library or individual ministers, to contract it out? If you turn around and contract the work out, why would we not cut out the middle man and contract it out directly?

Dr. Courchene: I would like to answer that, but I know Gail Cook wants to come in at some later point on that earlier issue.

We contract out for a couple of reasons. One is that it is far more efficient in conducting our research. In doing this, let me compare the Ontario Economic Council with the Economic Council of Canada. I do not know the exact numbers, but the Economic Council of Canada must have 60 or 70 full-time economists--people with economist titles. They have a budget that is about six times ours. We put out as much as they do, perhaps more. Our reputation in the system is every bit as good.

Our role is to have three or four people inside the council. I think we have four researchers now, plus the chairman. These people are on two-year or three-year terms; they roll over. They are chosen for their expertise, given what we are about to research. We have not built up a long list of internal people who were brought on eight years ago to do something and now have not been able to get on with the current research agenda. In that sense, we are very efficient.

10:40 a.m.

The internal council members, the economists on staff, obviously do some work, but they also oversee at a very hands-on level all the research that is contracted out. The Economic Council of Canada, with its 70 or 80 people, also contracts out; every time they do important research, it is contracted out.

Our process is a little different from that. The council sets the priorities for the research. Normally we will then have the research priorities sent out for public auction, as it were. The people who bid on the research are evaluated. Those proposals are evaluated by the council, by some peer group assessors. Once a contract is awarded, there is an initial seminar at the council, which normally brings in business, labour, the civil service and some academics to set the thing on the right track.

There are two other places at which the researcher is brought into the council's views on the issue, as well as the practitioner's. While in the final analysis what comes out is what the author has said, given that it has passed peer group review, and the council does not necessarily support every idea that is the books, we do have an increasing degree of control over the output in the sense that we guarantee it touches upon public policy issues for Ontario.

We guarantee that the researcher is in fairly close contact with people who are affected, whether it is the industry or the civil service. In that sense, contracting out is also a way that, with the limited amount of funds we have, we can make our research go along with that.

Mr. Chairman: You will probably hear from other members later that one of the most-heard criticisms of the council is that its work is all well and good, but it serves no practical purpose. I want to give you the chance to respond to that.

Should this council be producing studies of a more practical nature? This committee, for example, has from time to time made recommendations around the larger economic questions and produced papers that give all members indicators of what is going to happen to Ontario economies prior to a budget being struck and some work that we have seen in other jurisdictions where this is pretty common practice.

Can you respond to the criticism that the work done by the council is not as practical as it should be?

Dr. Courchene: Given that we are not a line decision-making body, and do not want to be, I find it difficult to respond to that. I will go back to the value added tax conference we are going to have. There is a massive amount of research at the federal level looking at the value added tax. The provinces, to my knowledge, have not taken a close look at this issue.

There has never been a value added tax conference in this country. We want to sponsor one. It will be a small conference on our property to take a look at what the implications are for Ontario and at other jurisdictions with value added taxes, how they are going to integrate with the retail sales tax, how you integrate with the retail sales tax when different provinces have different tax rates, what the value added tax is going to mean to firms in terms of the compliance cost and what it is going to mean for the distribution of income among Ontario's citizens.

Nobody is looking at these issues from a provincial standpoint, yet they are incredibly important because it may well be that Ottawa has the right to put in a value added tax, but the provinces still have the right to have the retail sales tax. You could get into an awful muddle unless some in-depth research were done into how this could be implemented and how it would dovetail with existing provincial tax policies. That would be highly practical if Ottawa ever decided to put this in. It is not a day-to-day decision, but somebody in Ontario has to be thinking about that, and it seems to me the on-line departments simply do not have the time to devote to these issues.

Mr. Chairman: Let me try to focus that a little bit better for you.

Every time a Treasurer stands up and announces a new budget, there are reams of numbers that float out. When a budget bill gets referred to a committee, for example, as has been the practice of late, committee members sit in a room around a table much like this, looking at a bill. The committee members want to know what will happen to various businesses and to the economy in general if, for example, he raises the retail sales tax by a point or two or extends it to even more products than are now concerned.

One of the problems I have as an opposition member is that at the front of the room is the Treasurer with his staff. They have economic projections coming out of their ears. We are sitting over at the sidelines here, saying, "Would it not be nice if we had some independent economic projections of the ramifications of all this?" We do not.

Some of us, myself included, might say, "It would be nice if someone such as the Ontario Economic Council could take a run at that and publish a document that says, 'If you raise the retail sales tax by two points, this is what happens to small business and to people who run refreshment trucks, and here is an independent projection of the ramifications of that.'"

As it stands, we are at a disadvantage. The Treasurer has all the resources of a government to do that kind of projection. The numbers, whether they are right or wrong, look authoritative. We have no weapons to do battle with; there is no independent yardstick we can use. We are at a great disadvantage. That is one practical thing an economic council could do.

Let me get to the last question that John had here.

Dr. Auld: May I respond to that?

Mr. Chairman: Sure.

Dr. Auld: I am Doug Auld, a member of council. The specific example you gave is a good point to raise, the relationship between the Ontario Economic Council and other research organizations.

There are many private research organizations which, the minute a budget is announced, have all the answers you are talking about, whether it is Informetrica, Chase Econometrics or one of a number of other agencies. Most of these are private agencies, and they will take a budget and run the numbers through their projections. The Legislature can look and see whether the Treasurer's projections and the government's projections are out of line with these other forecasts that are made.

The other thing is that the council probably is not in a position to respond as quickly as you would like it to respond with respect to a budget. These private research organizations have large, sophisticated econometric models. In some cases they have support staff of 40 to 50 people and, within a matter of say

a couple of weeks, could undertake the kind of analysis you are speaking of. The council, with its four permanent members and the need to very carefully assess who is going to do the research, even if it were to undertake this analysis, probably would take months before you would have an answer.

A distinction has to be drawn between the kind of research that is undertaken by private organizations, which have very large resources and can respond almost overnight, and that done by the council, which, as the chairman has pointed out, has a very small permanent staff and its research is of a long-range nature.

Mr. Chairman: That emphasizes the problem. The people who are making the decision about whether this bill will proceed are caught in the middle of the process. The Treasurer has those resources and can do that. Some parts of the private sector have those resources and can do that also.

We have access to neither of those. We have access to researchers who are generalists, mostly working for the leaders to make sure the political leaders do not go out in front of the television cameras and look really stupid tonight. Essentially, that is their job. But the members who sit on the committee have virtually no access to that kind of resource.

It occurs to many of us that we have an economic council, which may not be prepared to give us an overnight set of numbers but which at least has a lot more resources than we have and has on staff economists who could interpret for us, as laypeople, numbers that are generated by other people.

It would be useful if the private sector were to rolls in with its sets of numbers and accountants, lawyers and whatever and made a presentation to a committee. We need some translation services. We do not speak that language. We do not work in that milieu. We turn around and ask, "What did that guy say?" and somebody on the Treasury staff will interpret for us. That is polite and nice but perhaps not quite as neutral as we would like to have it. That is our problem.

10:50 a.m.

Mr. Jones: May I make a brief comment/

Mr. Chairman: Yes.

Mr. Jones: I am Bill Jones, a member of council. Mr. McCaffrey partly answered that when he made the comment that the government has its own agenda. One of the things the committee needs to be clear on is that the council is not an instrument of the government, but if the council had the facility to do the kind of thing you are suggesting, I do not think the council would be in business for more than a week.

There is a healthy tension at the current time between the staff of the Treasury and the council, and there are occasions, as I understand it, when the staff of the Treasury is a bit nervous about whether the council is getting into some of the research that they should be in.

I am a bit puzzled by your comment. If one looks at the documents, it is true the council is not providing next-day information on the government's budget; but, as you know, that is a very tightly held, in-house type of kind of thing, with security guards through the whole of the Frost Building. That is a government function and nobody else is going to play a role in that.

From a practical point of view, if you look at the papers and the things the chairman has cited as work the council has done, I can think of nothing more practical than those, although it does not deal with those numbers. In dealing with those numbers, I do not think the council would be in business for more than two or three days because it is not a research body for the opposition parties; it is a research body for the people of Ontario.

You have quite rightly cited that it is not a research body for Saskatchewan; but if we do something worth while and they are wise enough to pick it up if it is a good thing, then all power to them. The politicians here have every right and privilege that the members in Saskatchewan have, including to read the documents and pick something up. I think that is partly what Mr. McCaffrey was driving at earlier when he said the government has its own agenda and it is very difficult for the council, which does not think its role is to try to cut into that agenda.

Dr. Cook: Mr. Chairman, I have a good deal of sensitivity to the thrust of your questions, and it may help if we look at a spectrum of types of research institutions or research granting agencies.

At one end, we have granting agencies, such as the Social Sciences and Humanities Research Council of Canada in Ottawa, that simply reward excellence. If somebody comes up with a good idea and their peers think it is a good idea, funds are provided. That is way out on the end, and nobody has any control over that except the researcher and the peer evaluation process.

The middle is what we are trying to grope for at the Ontario Economic Council, which is a research policy unit. We have moved closer, perhaps not as close as we ultimately will, to try to control at least the theme areas that people in the Legislature, in business and in the trade union movement regard as fundamental. Within that process, as the chairman has indicated, the council members are taking a firm hand. We are not saying, "Carte blanche; just because you want to do something in the area of pensions, you do what you like," but rather, "You do the aspects that we think are critical to do."

The other end of the spectrum is what I think you are looking for. Again, I have a good deal of sensitivity to it. It is something that would be useful to committees of the Legislature. I do not think ours is the institution to do it, but it is sadly lacking, both in Ontario and even at the federal government level. Some other type of structure is required in order that researchers working in that environment have access to the information to allow them to do exactly the job you require to help you in making

your decisions. To try to meld the Ontario Economic Council with that would be a mistake; it cannot be done.

Mr. Chairman: You are kind of getting at the final question which I had about changing the mandate. I hear from two or three of you now that you do not think the mandate could be changed.

For example, this committee has on occasion been in areas where we felt we needed some august group of folks, very learned in a particular field to go away and think about a problem for a while. The Ontario Law Reform Commission is an example. As part of our process we referred a matter to them, they deliberated for eight or 10 months and then presented us with a very thorough document that was very useful to us. It utilized the expertise we did not have, was able to consider it in a way that we as politicians cannot and provided us with a very useful set of information.

What if the mandate of the council were changed to provide for that? For example, let us say the committees were restructured here and we had a committee to look at budgetary policy for the next 10 years; such a committee might say, "We will have the Ontario Economic Council do a study." I hear you saying that you do not think you could function in that milieu.

Dr. Courchene: No. That is not what we are saying. We have done that. Part of our mandate says we can be given references by the Lieutenant Governor in Council. I do not know whether that means the Legislature.

Mr. Chairman: In a sense it traditionally means that. In a real sense it means someone in the cabinet thinks you ought to do this. We have nothing to do with that. If your mandate were changed so, for example, legislative committees could refer matters to you for deliberation, would that hinder your operation or would it be totally unacceptable to you? Could you handle it?

Dr. Courchene: I suppose we could handle many of them, but there is a question of agreeing upon the terms of reference and how they are going to be funded. However, the council stands ready, if asked by the government--and you are pushing it a little further--to undertake these special research topics.

I must say, even though we spent an enormous amount of time and worked very hard over an eight-month period to generate three volumes on personal income tax, there was a feeling of satisfaction on the part of council members that we were responding to an important issue, or one that was viewed to be so, and we think we delivered a very high-quality product. It was effectively a mini-royal commission, let us say, at a fraction of the normal cost of a royal commission. It made the council considerably more enthusiastic.

We are looking for ways in which we can serve the people of Ontario better.

Mr. Chairman: That is much the same as Mr. Eichmanis was trying to point out in his research paper. We are grappling with

the basic question of why there is an Ontario Economic Council. If it is clear you do not work for the government or the opposition parties, fine. However, that just about covers everyone who sits in that chamber. You do not work for the Legislature; so why are we paying you? If you are making an argument that you work for the people of Ontario, we would be interested in how many read your reports. If that comes out as 150, we might say people do not use the service very much; maybe it is one we could do without.

We have somehow to find the role of the council. How does it fit into the political process in Ontario in such a way that there is justification for funding its activities? If you are turning out reports that make you feel good, we are happy about that, but it may not be the prime purpose of the exercise.

We would like to see not only what makes you feel good but also that the Legislature or other groups around the province are able to use your work in some way or to have input into the kinds of things you study, or that your reports are somehow useful to the people of Ontario. They may not read them, but if somehow it has an impact on their lives that is positive, that is what we are looking for.

Mr. Sterling: Perhaps Mr. Breaugh has some of the same frustrations I had. They do not exist only for opposition members; I can assure you they exist also for government members, either as back-benchers or as members of cabinet.

We are missing one key factor if, as Mr. Jones has said, the role of the Ontario Economic Council is to serve the Ontario public and let them know what the situation is in relation to some very relevant subjects. I do not think there is any problem with what it has been studying and looking at, because when one looks through its status report, much is very important to us today.

However, how do you get what you are doing down to the base level of what I am doing and communicate one with the other? I get all kinds of these reports every day. I love to read all these things but, frankly, I do not have the time or energy. How do you relate that with what we are doing here? If you cannot relate it to us, when it is our job, then how can you relate it to the guy in the street?

Speaking as an engineer rather than as a lawyer, I do not understand why you have not been able to relate--or why somebody has not been able to relate, because maybe it is not your mandate --to me as a legislator the information I need on housing, on sales tax or on whatever other kinds of things and to relate that into a long-term view of what is happening. I do not understand why that has not been done.

11 a.m.

Basically I have come to the conclusion that things have become so complex in Ontario, in Canada and in the world that there is very little accountability at any level because the tools have not been developed as quickly as the complexity has occurred. That is what I think you people, or someone, should be applying

your minds to how we get the proper buttons to press so that the long-term questions will be related to the short-term problems as they arise. If the political agenda is housing today, then I have to be able to push the buttons, and the public has to be able to push the buttons, to get the true answers. If the truth does not get out, then the problem is exacerbated.

What I see as still a problem is the data input. Do you have the proper data, or should you be directing government to collect certain data so we can get that kind of information back?

I will give you one example. People across the province are electing school boards that spend the majority of our property taxes. In my opinion, they have absolutely no idea about the financial status of those boards. They do not know whether they are spending money wisely or poorly. They do not know whether they are underspending or overspending.

I have a dramatic situation in my own riding of Carleton-Grenville. On the one hand I have a board that I suspect is overspending, and on the other hand I have a board that I suspect is underspending. But those figures are never presented; an economic package is never presented to the voter so he can make a decision. Nor is there ever any good debate, because the trustees are never challenged. We can all baffle our way out of it.

If anything can be done to bring accountability back into the process--accountability for us currently as politicians so we do not damn our children or our grandchildren, which I am very much concerned with--that is the key factor. If someone were to invent a computer that could give us more information now so that, if we did extend rent controls from 1976 on, we could get some idea during the next two or three months of how much housing starts had fallen off because of it, then politicians might make the right decision. They would not play to whoever it might be.

That is the problem. We will not solve the long-term problem of the issue I was just referring to unless we can push the buttons, and the press can see that the buttons have been pushed, so we know whether the number of housing starts has fallen or risen.

Dr. Courchene: There are two sorts of issues there. One of them relates to the problem that we on the council perceive, and that is how we can communicate our results once we have them. Frankly, we have not done a very good job of that. We had an all-day meeting this spring directed precisely towards that issue. We want to bring more groups into the process both in initiating research and on the research and policy dissemination side.

We are keenly aware of that problem. Part of it relates to the way our books are presented, and part of it relates to what we do after we publish a book. We have in process some mechanisms to enhance substantially our contact with senior civil service people after we publish a book and with anybody else who is willing to listen to us. We are willing to give seminars on the result.

We too believe that is a problem. We are trying our best to work with it, but it has been a problem that has existed

throughout the life of the council; it is part of the issue of what our constituency is.

The second part of your valuable comment had to do in part with the sort of issues the council works on. We are also grappling with the accountability thing. We have an ongoing study that tries to look at the various ways in which Ontario has issued government contracts. We are looking at the incentives in those contracts and what they imply for different types of deliveries on the contract. I think we have some new approaches to this. Ontario Hydro has agreed to experiment with one of the new contract forms we developed to see if it can enhance delivery and reduce cost overruns.

These are precisely the issues the council is willing to tackle. However, an in-depth study of school board by school board, to take your example, would probably exhaust half the council's budget for a year. It is very data-intensive but none the less a very valuable project.

Dr. Grant: Under our mandate, we are asked to respond to references. I do not see any reason why, with the appropriate change in the enabling legislation, we could not respond to references from legislative committees as much as we could respond to those from the civil service through the cabinet.

However, it would mean a change in the way we act. It would mean a change in the budgeting, in the staffing and in the role we play. Some tensions could arise. We are now part of the Ministry of Treasury and Economics vote. If we were going to be part of the parliamentary vote, or to try to meld the two, trying to serve those two masters would be very difficult; yet it might be done.

Our feeling is that the present mandate is a workable one. We have carved out an area where we are useful, and we are making our waves with the policymaker community. A high level of respect and attention is paid at all stages, not just at the publication stage but also while the stuff is going through the mill. There is a lot of peer review. A lot of people in the academic community, for instance, are focusing on policy issues; they would not have done so unless they had been funded by the council.

There is a consciousness-raising going on. I feel too that we are not necessarily hitting all the audiences we should be. If in your wisdom you want to suggest a broadening of or a change in the mandate, I think in many ways we would be ready to try to respond; but it would have to be quite a change.

11:10 a.m.

Mr. Sterling: I am very much concerned about regional development in our province. I am in the unfortunate position of having to represent an area that is not as economically depressed --I am talking about Grenville county--as the other area I represent, the regional municipality of Ottawa-Carleton.

Mr. McCaffrey: Which one is it where you lose that one poll?

Mr. Sterling: It is actually in the more affluent area.

At any rate, I have always been hampered in being able to put forward the less fortunate area in terms of pleading my case. Most governments operate either on a municipal, regional or county basis in terms of how they assist various areas. I still have a problem in getting hard data as to how well one community is doing in comparison to another community. I have to add in factors such as family income levels as well as the property tax base and those kind of things.

Have you tried to develop, or directed government to collect, better indicators of how various communities are doing so that better decisions can be made as to where our assistance might go?

Dr. Courchene: The answer to that is yes, but let me make a brief comment.

Prior to my chairmanship--I think it was under Grant Reuber --the council did take a tour of some of the northern areas and tried to develop a regional approach to some of the issues. In our reorientation seminar last spring, we decided it was time again to take a much closer look at the regions. Much to our dismay, we found the database by region was extremely fragmented. It was very difficult to get data.

What we have done is we have put together a major internal document that lists what is available by region, say, on personal income and on unemployment rates. It is part of our ongoing thrust to try to develop more information on a regional basis so that some of these questions can be answered.

The council is simply not in a position to start collecting data, since that is extremely expensive. However, within a very short time, we will be able to isolate on a regional basis those data sources that are valuable and not available. We wanted to do this prior to attempting to get very deeply involved in the regional aspects of the Ontario economy, because if there are data lacking--and the process of collecting, whether by interview or by sampling techniques, is well beyond our budget--we could make recommendations indicating what is lacking, what is needed and how one might go about doing it.

We would be more than happy to provide the committee with out current status report on the existence of microdata by region in Ontario.

Mr. Sterling: I think more direction--for instance, perhaps by asking one or two more questions on the income tax form--would give politicians many more tools to enable them to direct assistance where it should go. Therefore, we would be able to better use the taxpayers' dollar to help out those who are in need and not throw the money everywhere and not address problems. If I could give you any direction, I would like that to be taken.

In following up your other comments about your role and everything else, I still want you to think about the fact that

somebody has to relay this stuff. It is not just the politicians I am thinking about; I only talked about the politicians as being a small part of the public. Somebody has to relay it to the public somewhere. It has to get down there in a fairly simple form, probably through the electronic media, to put back into the system some kind of true accountability.

Mr. Warner: I would like to go back a little to try to understand the process that is involved here. I have a series of questions.

Can someone tell me what triggers research? After the research is begun, what stages are involved; and when the research is complete, what happens to it from there? I would like to have a better understanding of the process.

Dr. Courchene: I will turn it over to the research director for that question. He will probably be talking about the research, because I think there is a different answer for the conferences than there is for the research. I will handle the conferences later.

Mr. Warner: Okay.

Dr. Conklin: Let us consider one particular example. Professor Courchene mentioned a study by MacAfee and McMillan in regard to government contracting procedures. MacAfee and McMillan approached us about the possibility of commissioning research by them on this subject. At any time, we stand ready as a council to investigate and discuss considered proposals. Anyone can submit a proposal to us at any time.

In this case, having received the proposal, we sent a copy to the Provincial Auditor and asked his opinion in regard to whether he felt commissioning this research could be helpful. We discussed it with other civil servants as well. A committee of the council studied the proposal and met with MacAfee and McMillan.

An important point in regard to policy relevance and the earlier comments might be that whereas in the House many of you question whether the Manual of Administration is being followed correctly, what MacAfee and McMillan were asking was whether the Manual of Administration is itself the most optimal or ideal set of instructions.

The contract was signed based upon the advice of the committee of the council and outside peers, individuals who have written in this field and established a reputation as being experts in this area.

Interestingly, as part of that contract, we inserted a clause that their report had to be written in a way such that someone not skilled in mathematics would be able to read and understand it. This was the first contract in which we explicitly said that the intelligent layman should be able to read it, that any mathematics should be put in an appendix and should be described in the English language.

Furthermore, we said their study had to be policy-relevant; they had to study the actual practices in process in Ontario today. I emphasize that because when we are through, I think we will have a study that is relevant and focusing on something important that is occurring in Ontario today.

We have had two review seminars, each attended by 20 to 30 civil servants. There has been substantial discussion between MacAfee and McMillan on the one hand and civil servants involved in contracting on the other hand. Representatives of the Provincial Auditor came to both seminars.

When the study was completed, we sent it to the Provincial Auditor and asked for any corrections that should perhaps be made in regard to technical information that MacAfee and McMillan might not have accurate.

Throughout this process we use anonymous referees who attend the seminar and who give us written criticisms, which are then passed on to the authors. Prior to publication, the final manuscript again is refereed.

In other words, we go through a type of evaluation that ensures it is policy-relevant by bringing civil servants into our seminars, by having them read the manuscripts and the proposals and discussing these issues with the authors. We have the peer review among academics to ensure the technical quality of the material, quite apart from its policy relevance.

An element that has not been stressed this morning, which I think should be, is the role of the council. The council members come from a variety of backgrounds. For example, we have Cliff Pilkey on our council as well as academics and representatives of financial institutions and manufacturing industries.

We have a cross-section of people representing various perspectives who are able to come to the review seminars, comment on the particular projects and be part of the entire review process. That is something special which, for example, the civil service on its own does not have.

11:20 a.m.

Furthermore, the people who do our studies nearly always are university professors who have doctorates in economics and who have written substantially in the field and are published. In the civil service at Queen's Park that is not the case. In Queen's Park only a handful of people have PhDs in economics and only a handful of people have published.

There is a different quality of research, quite apart from the time element. The fact is that the civil servants are busy with tomorrow's memoranda and tomorrow's speeches. You have an expertise involved in our research which is not present within the civil service.

It provides a perspective that does not exist within the civil service. You would never want a government run by academics.

It is not the only set of answers and the only perspective by any means. All I am suggesting is it is a different perspective, which you do not get from within the civil service.

We publish the book based upon the comments of the referees. In some cases we issue working papers rather than going to the expense of issuing the book, if it is not particularly relevant or if there are some questions about the technical quality. When the book is published, we distribute it to the media; often we have a press conference.

Just to pursue a point made a moment ago, we now make tape recordings with the author and distribute these to radio stations. Frequently, these are in the form of a play so the populace are able to understand, from that dialogue with the author, the basic thrust. Perhaps we should do more of that.

Ultimately we may move towards issuing tape recordings rather than books. It may well be that in this modern, high-technology society people will more readily listen to a tape recording summarizing a volume than they will read the book itself. Distributing those tapes to members of the Legislature might be an extra thing we could do to be useful.

The media do examine our books and consider them. We have a collection of press clippings based upon our studies and could readily provide you with that as evidence that the media do find our books important and interesting, do understand them, do write about them and that the average citizen does read about them.

Mr. Warner: That is the end of the process, though. I may simplify it a bit, but having completed the work, no one is obligated, either the Legislature or the government, to respond in any way to the work that is done. No one is obligated to take the report and deal with it, either to dismiss it or to accept it or to act on it in any way.

It is kind of like scattering the seeds on the ground and hoping some will take hold somewhere, although I do not want to misrepresent what you are doing.

Dr. Conklin: I do not think your analogy is appropriate in that we are involving the civil servants in review seminars, in reading the manuscripts and in commenting on the manuscripts. They are part of that process; they are not obliged to be, but they do attend the seminars. They are not obliged to read the manuscripts and comment, but they do. It is not quite scattering seeds in that sense. It is a way of providing civil servants involved in their daily work with a perspective that they themselves are not able to develop.

Apart from that, we do have our consensus documents, which are developed as a council membership under the direction of the chairman. You received four specific consensus documents, which represent the advice of the council in regard to deficits, the taxation of personal investment income, pensions and the question of a separate personal income tax for Ontario. These are signed by each of the council members and reflect a general consensus, with

an occasional dissenting opinion, in regard to specific policy areas of importance today. It is not necessary for anyone on the government side to respond in a precise way to these volumes, but it is clearly a case where we are providing rational, easily understood advice.

Mr. Warner: Should there be an obligation on behalf of the Legislature to respond to economic documents put forward and which went through the research? You felt it was important, otherwise you would not have undertaken it. You have explained your process; so obviously you evaluate the worthiness of the project.

You have done all this good work and have been very meticulous, from your discription, as to how you go about the work. Having completed that, do you think there should be an obligation on the Legislature to deal with that paper, either to dismiss it, to accept it, to take parts out of it or to do something with it so that you would be assured of a public airing of the work you have done?

Dr. Courchene: My hunch is the answer to that is no. We would love it to happen, but I think we are changing the whole nature of the process if a specific response on a particular issue is required. This is largely because in the final analysis the council does not necessarily support the views of the authors.

On consensus documents it a little different. I think we should call them position papers, because it is very difficult to get consensus on some of these.

Mr. McClellan: May I intervene very briefly at this point? I want to pick you up on that. You refer to them as consensus documents--

Dr. Courchene: I think we would call them position papers.

Mr. McClellan: Anyway, there were documents that had dissenting opinions from Mr. Pilkey of the Ontario Federation of Labour. It would be quite inaccurate to describe your work as the development of a consensus. It might be more accurate to describe it as a consensus of views within the business community or from a business culture perspective.

Dr. Courchene: That is not quite correct. It is correct that "consensus" is the wrong word, if by that one means unanimity. There was unanimity on the personal income tax; but on the others there have been dissents from people who think we have not gone far enough and from people who think we have gone too far; so we have reached sort of a middle ground between the extremes on the council. Whether that is an appropriate middle ground is another issue.

For that reason, we are simply not going to attempt to try to get a consensus on free trade, for example, because we cannot do it within the council. We have done some work on free trade that has had an enormous influence on the system, but that work

has been very careful in pointing out, "Here are the gainers and here are the losers." Further, it said there is one big unsolved problem, and that is the adjustment costs; we are now focusing on the nature of the adjustment costs. In an area such as that we cannot get consensus.

There is still some value in trying to put forth an Issues and Alternatives document. This is a little different type of document. The council used to do that, and we may be moving towards that sort of approach again, saying: "Here are the issues. Here are three or four alternatives. Here is what is implied by X and here is what is implied by Y. We cannot agree on this, but these are the issues that separate us on the council."

Mr. McClellan: That seems to me a lot more sensible than the council attempting to put forward position papers, documents, studies and reports as though they were consensus documents when a major constituency of the council and of the community finds itself consistently in dissent with them. That is the aspect of the council's work that bothers me personally.

Your work does not reflect the range of views, options, values and assumptions within the community, but attempts to put forward perspectives as though they were a matter of consensus. They are not; there is no consensus. What there is in the community is a range of assumptions and proposals to deal with the specific topics being studied.

Dr. Courchene: In part you are right. We were wrong to call them consensus documents in your sense, but we are not hiding the fact that these are difficult issues.

Mr. McClellan: Of course.

Dr. Courchene: In conducting our conferences, we have a range of participants. For example, we had a conference on deficits; the participants were split between those who favoured greater deficits in terms of expansion and those who did not. Similarly, at our recent free trade conference, there were people who were in favour of free trade and people who were on the extreme nationalist side with respect to culture. We balance that off. We do not try to take a position on it. We say, "Here are the issues that are important for Ontario."

11:30 a.m.

We had a conference on public sector compensation where effectively we said: "We want to focus on the relevant issue here. Nobody is going to say that public servants are bad or whatever. That is out of the conference. If you want to do that, that is some other issue. We want to focus on the issues relating to compensation in the public sector--wage dispute mechanisms and whether an incomes policy directed at public servants is an appropriate way to handle inflation--issues geared towards a narrow view of how you go about rewarding and deciding on a compensation program for the public service."

On that side, the problem of the council was that we had a

tough time with the business community, which wanted to have something different done; so it goes both ways. But it is true that Mr. Pilkey has been isolated on three of the four consensus documents, always alongside somebody who takes the opposite view to the issue. For that reason, I personally decided that Issues and Alternatives is the way we have to go.

Mr. Warner: I appreciate that. Earlier, the chairman raised the whole notion of practicality, and I am hearing conflicting messages. For me, Dr. Cook had an excellent explanation of this: two sides of the rainbow and something in between.

It was reported in the Financial Post in 1982, according to our notes, that Mr. Miller, who was then the Treasurer, was contemplating disbanding the council. He was quoted as saying, "I understand the need for academic work that is of interest to the academic community, but Ontario taxpayers should also be getting the kind of practical commentary the Economic Council of Canada provides."

I read into that a comparison between the Ontario and Canadian councils and that the work of the Canadian one is of a more practical nature than that of the Ontario council.

I am grasping for an explanation as to (a) how practical you see yourselves in terms of the work that is being done and (b) whether it is valid to make a comparison between the Ontario and the Canadian councils. Are their functions different? Is it worth while even to make a comparison?

Dr. Courchene: I am a bit biased on this, but the committee clerk or the committee researcher put that phrase in. The quote from Mr. Miller does not come from us. I was very unhappy when I saw that in there, because you are talking about a council at the federal level that on average has seven or eight times our research funding, it has 70 to 100 economist positions in-house, it has a full-time chairman--I am one day a week, or part-time anyway--and it has many more resources than we do. On the other hand, I challenge the view that (a) they have done a better job or (b) they are more practical.

It seems to me that Ontario is about to enter a negotiation process with a new government at the federal level that has some different notions of how federal-provincial relations ought to be conducted, and we are reeling under some of the pressures that existed under the unhappiness with the Canada Health Act on the part of some of the provinces and an equalization program that right now is effectively in a shambles.

We decided that here is an area that means billions of dollars to Ontario. On the last fiscal go-around, Ontario got \$4 billion less over a five-year period than it expected. We decided that in dealing with Ottawa it was important for Ontario not to get caught out issue by issue, because this is a package.

We put together a two-volume study, which is now out, and I am sure it is going to be used by every person who is involved in

that federal-provincial negotiation process. By the way, most of the speakers were drawn from the provinces and the federal government. The council has a reputation among the other provinces that they can also afford to come and talk here because it is partly a counter to some of the national organizations, even though we take Ontario's position.

In any event, it seems to me we provided a background to say: "This is a complex process composed of seven or eight"--or perhaps 15, if I think about it, "interrelating parts. Here are all the parts. Here is how they might interact together. It is important that we recognize it as a system."

That book can hardly be more practical as a starting point. Ontario and Ottawa are starting on the process of what can happen today with the finance ministers talking about the Canada assistance plan. But our message in that book is: "Hold it. You cannot change the Canada assistance plan without recognizing that it is going to have impact on the unemployment insurance program and all the other programs that are interrelated."

Mr. Warner: I think Dr. Cook had a comment to make.

Dr. Cook: Yes. I wonder if I might add something to that response. It seems to me we need a good definition of what constitutes practicality. I do not think anybody is hiding the fact that in this day and age we probably do have technicians talking to technicians more than they are talking to the lay public. The question is whether the Ontario Economic Council ought to be pushing that forward somehow to your constituents, or to you people, but let us just stay within the confines of technician talking to technician.

Let us use the example of value added tax, which is being raised in Ottawa. We are going to have an awfully practical matter here in Ontario. It may affect only one or two of you people on this committee. You may not be interested. The implications could be incredible for Ontario, but it is only the technical people, or bureaucrats, some of you who have specialized interests in these economic matters, who are going to pick up on this and say, "This is practical; this is really going to affect Ontario," and who are going to be interested in pursuing that process.

There is a legitimate question as to whether the council should be pushing those frontiers further. But just because you have a technical economist speaking to a technical economist in the government of Ontario is not to say the matter they are talking about is impractical.

By the same token, you would see a mad scramble if there were a new issue the council had anticipated in its documents. There would be one mad dash for those documents and, I dare say, within the civil service in Ontario when it affects the ministry that it is imposed upon.

Again, the practicality is a function of the issue of who is interested. We do not profess to go to the layman. Is this concept of writing a book going to keep the layman's interest? How many do

you have time to read? How many of us have time to read all these things? We read summaries of most of them. The ones we are interested in we pursue. There is a good, legitimate question about what constitutes practicality.

Mr. Warner: I appreciate that. The message I am getting from you folks is that while you continue to do some medium-term research, a lot of your work could be termed as practical, and the suggestion that the organization should be disbanded is not a useful kind of comment.

This brings me to the budget question. You mentioned at the outset that you received notice of a budget cut. If I am right, last year's budget was approximately \$1.2 million for 1984-85. Can you tell us to what level this has been reduced?

Dr. Courchene: We went through major budget cuts in each of the past three years. The way we have tended to handle that is to delay things for the next fiscal year, because some of our research goes beyond a fiscal year. But for 1985-86 we have had a substantial increase in our budget from \$1.2 million, I think, to \$1.5 million. This was in line with our new direction.

11:40 a.m.

We had long discussions with Treasury. We invited the deputy minister to come and speak to our all-day meeting to reorient our goals for the council. There was some concern that we were not communicating adequately with some of their fine bodies, and there was some concern that we were down to three internal researchers at that time when, in the mid-1970s, we had 11 or 12, and they were at a higher level, relatively, than the ones we have now.

Over the years, we have been dramatically changing our operations. We no longer use the University of Toronto Press. We can save an enormous amount of money by using in-house computers, microprocessors, and going directly from there to the book publishers. We save about \$8,000 per book.

But we were given this increase. We planned around it and, as of two days ago, we were cut in the nature of \$400,000.

Mr. Warner: Off?

Dr. Courchene: Off the \$1.5 million.

Mr. Warner: So you are back to approximately \$1.1 million, or less than the 1984-85 level?

Dr. Courchene: No. It is a little bit above the 1984-85 level, but it is less than the approved budget for the 1984-85 level.

Mr. Warner: Was there any reason given for the cut? That is a very sizeable cut.

Dr. Courchene: Not yet. We are interested in finding out the reasons. It is quite clear it will be dramatic. It will

probably stop much of our activity dead in its tracks for the rest of the fiscal year. It is one thing to plan for a lower budget, but it is another thing to have a 25 per cent cut in the budget in mid-year.

Mr. Warner: You have certain programs under way; so the budget cut will affect some of those programs.

Dr. Courchene: Yes.

Mr. Warner: That is interesting. There is no indication that the government shares some of the views as expressed through the Financial Post of June 1982?

Dr. Courchene: No. There is no direct indication.

Mr. Warner: I have one last question; it is to the board members. I understand from a briefing that board members do not receive per diems. I am not sure how often you meet, but what kind of a time commitment do you make to this organization?

Dr. Courchene: I would like the board members to speak to that, but let me start out by saying we are required by the act to have five meetings a year. Council members put in an awful lot more time than that. We now have an executive committee; its members are involved in reviewing the proposals that people submit for research. They normally attend and help in the planning of our conferences.

For example, when we undertook the personal income tax reference for the government of Ontario, they put in an enormous amount of time. It is in that one area, if you are asking the council to come up with a consensus document on some issues, that you are demanding an enormous amount of time from council members. I do not know. I felt a bit embarrassed, and a bit delighted, that council members responded so magnificently to the challenge and came up with a consensus document of 212 pages, or whatever it was. It required an enormous role on their part throughout the process. But some of the others can speak for themselves.

Mr. Warner: Before responding, I would be curious to know the motivation. You get your out-of-pocket expenses covered, I gather. You are not getting a per diem, and I gather you put in a lot of time.

Dr. Courchene: I am getting a per diem, though.

Mr. Warner: No, I meant the board members. What motivates the board member to put in that much time for no financial reward out of it?

Dr. Cook: Do you want me to respond?

Mr. Warner: Sure.

Dr. Cook: There is the commitment on the part of most of us to public policy research. Among the board members who are here, three or four of them have economics backgrounds. There is one answer.

If I might add a little addendum, whatever you people do in your deliberations, just remember that the goal for us is good public policy research that can then be used in the political process. If we fall down somewhere, let us hit those areas rather than throwing the baby out with the bath water.

Mr. Chairman: Mr. Mancini.

Mr. Warner: Sorry, I just--

Mr. Chairman: You are really--

Mr. Warner: I know, but I was so quiet this morning, right?

Mr. Chairman: This had better be a crackerjack, Warner, or you are going to get cracked.

Mr. Warner: It may be unfair to ask this question of the board members, so perhaps I will put it to the director. From your experience, would it be useful or important to add a per diem for the board members who serve, with a cap on the number of meetings per year?

Mr. Chairman: The board members are shaking their heads.

Mr. Warner: I think that is the right answer. They do not see the need for a per diem or that it is warranted.

Dr. Courchene: It is quite different if we are asked by the Legislature or by the government to undertake a specific project and the council itself is required to submit a position paper, perhaps a consensus document on the issue. We would hope to get to a consensus document. That is a different kettle of fish, because what you are doing is using an existing body. The alternative is to appoint a royal commission, for example, a body of investigators who would get a per diem.

Apart from that, although it demands an enormous amount of time from committee council members, I think the council members themselves probably would prefer not.

Mr. Chairman: Your answer is that the board members themselves do not seem very enthused about the idea of a per diem. We would not want to force money on them.

Mr. Jones: May I make a quick response which is a bit different than Gail's? Until my retirement in June, I was the secretary-treasurer of the Ontario Teachers' Federation. As you know, each of us is named as a person to the council. The reality is that over a number of years, I was quite anxious to take the organization into other fields so that teachers would perhaps try to understand other than just their teaching world, that they were part of a larger world. In my role as secretary-treasurer of the federation, I think I was reasonably successful in doing that in a number of areas.

In this instance, the cabinet did name me and coincidentally, just as Cliff Pilkey is president of the Ontario

Federation of Labour, I was secretary-treasurer of the federation. But that was a motivation, and in terms of the per diem, the federation never asked questions when I was away. The truth of the matter was that the jobs were done.

As far as motivation is concerned, at the seminars David referred to, on those issues where I cannot attend or I am not that much interested, I try to get a staff member or a teacher who might be interested in that issue to attend the seminar, where they may be discussing health care costs or day care or anything that affects day care or housing--all those things that affect children in schools. It is absolutely foolish for teachers to try to operate in a vacuum, because every one of those things impinges on the children who are within their care every day.

That was one of my motivations; the other is a personal one. It gives me an opportunity to expand and, I would hope, to make some kind of contribution. It is not in the area of the complexities of economics; I cannot compete with John here, but I have never had to do this with John. However, on occasion one of us is able to say: "Look, just hold on here. Who is going to understand this?" That is part of the point the committee has made. The point I am trying to make is that the breadth of the council is such that we do have people who on occasion can say: "Hold on, who is going to understand this? Where does it fit into the scheme of things?"

I apologize for taking that time, but I think it reinforces Gail's point and is a slightly different point of view. Her point, of course, is perfectly viable for a number of the council members, including me.

11:50 a.m.

Mr. Chairman: With an award for great patience, Mr. Mancini.

Mr. Mancini: Thank you very much. I have a couple of questions, and I would like to offer some comments before I start them.

Basically, I see the Ontario Economic Council as a think tank. I do not see it as the arm of any particular ministry or as a partisan agency of the government; I would hope it would not be so. We have been able to attract, from what I have been able to decipher through the 20th anniversary report, a good number of outstanding people throughout Ontario--

Mr. McCaffrey: You must be outraged at that budget cut.

Mr. Mancini: I will get to that in a minute--to serve basically on their own time for out-of-pocket expenses, which means you have to spend your money before you get it back.

That is my personal view of the council. It is a think tank to try to create debate and put forward documents which it is hoped will spur someone or a group of people to take up the cause, which surely must be debated either out in the community or in the

Legislature. I have no philosophical problems in terms of what you stand for, what you should be or how we should change your mandate. That is how I see you, as a think tank for the community at large.

However, I was very interested in the separate personal income tax document you had prepared for Mr. Miller. I was interested in that basically for one reason. I do not want to say this in any way as a detriment to the work of the council or to the committee, but I viewed that as a political document.

If we take ourselves back to prior to March 1983, which I guess was when this was referred to you, there was a great debate going on between Ontario and Ottawa as to how revenues were going to be shared. Some politician in Ontario thought: "We are going to get that federal government. We will show them. We are going to collect our own income tax." Of course, that does not necessarily mean the province is going to collect more money. It does not necessarily mean we are going to be able to administer what we have in a better way. It was just a political battle between two senior levels of government.

In that respect, while I know you were asked to do it and while I know you responded because you probably did not have any choice, I would rather the council not be used in that way. That is my personal opinion. I would have felt better if you had done it on your own without the smoke and fire simmering of a political battle.

In that respect, I think you were used as a political tool. Of course, that is my personal opinion. People in government at the time may have thought we actually needed it, but in view of the fact that they never carried on with it and never did much with your report, if anything at all, because the debate ended, I have to restate that I think you were used politically.

Mr. Chairman: Do I smell ugly partisan politics entering into this discussion?

Mr. Treleaven: No.

Mr. Chairman: Good. I was worried for a minute.

Dr. Courchene: We had a long discussion in the council about how we handled that.

Mr. Mancini: I am glad to hear that.

Dr. Courchene: We decided the way to do it was to take a look at what the Economic Council of Canada has done, because it was involved in references. They have an approach whenever they are given a reference. For example, it includes playing a major role in designing the terms of reference. We followed that approach.

Gail might be able to speak more to it, because she was involved in some of the Economic Council of Canada issues, but it is a danger that if we get pulled more towards the government of

the day, we are going to isolate ourselves from other constituencies, whether it is a legislative committee or some other area.

I do think, however, that we did not come up with the answer the government wanted. I am not sure what the government wanted, but we did a very professional job on that in a very short period of time and on an incredibly tight budget. The fact that Saskatchewan has used it is--

Mr. Mancini: Right.

Dr. Courchene: But the issue is not dead. Two years ago Alberta gave its intention of striking its own personal income tax. We have classes here. Exactly the things you are talking about are the first ever attempt to figure out what the cost of collection would be and the cost of compliance on the part of business firms and individuals that have to fill out two tax forms. We broke new ground in a very brief period of time. We also had a separate budget for it. It was not part of the council budget.

Mr. Mancini: That is what made it even more political at the time as far as my view is concerned. I am not questioning the work you have done. I am not in any way questioning the integrity of the work you did. I am questioning the process.

Once again, reading the letter from Frank Miller, dated June 9, 1982, if we take ourselves back to that particular time frame and examine what was then the current political situation, as a member of the Legislature, I knew full well what he was doing. I would hope the Ontario Economic Council is not used in that fashion. You may be again; I do not know. All of a sudden, someone may decide we need an authoritative body to prepare something for us immediately and we will present them with a special budget, but no one can convince me there were not very heavy political overtones. The fact you have told me you did debate it within the council is encouraging. That tells me you realize somewhat the same thing.

The fact is that Saskatchewan is now using it. When we were at the Premiers' conference, we could not get an answer from the Saskatchewan Premier on whether he was totally satisfied with being able to collect his own income tax. Of course, Quebec brought it up again, but that is more of a cultural debate in Quebec than an economic one.

Dr. Courchene: This is a very important issue. The issue of a separate budget has more to do with protecting the integrity of the council and its other research. We were really concerned that if we were going to fund this out of our existing research, they could co-opt our entire research program. We said, "No. If you want to have this done, we will submit a budget and we will submit the terms of reference. If you want it, take it. Those are the conditions under which we will do it. The other condition is that we publish this without showing it to you." That is what we did.

Mr. Mancini: But it served the political purpose at the time. I respect the integrity of the council and everything you are telling me, but it did serve the political purpose at the time--

Dr. Courchene: It was also an Ontario Economic Council--

Mr. Mancini: --without in any way demeaning what you did or what the role of the council is.

Dr. Courchene: I understand.

Dr. Auld: I think it is important to follow this up a little more in the light of the earlier discussion when there was some debate here that perhaps the mandate of the council should be changed. I think you people are going to have a difficult job grappling with this because if you do change the mandate, and we have said we could probably accommodate legislative committees asking the council to undertake studies of a certain kind, there will be the budget issue and there will be a political issue.

On the other hand, if you leave it the way it is or make it an even more hands-off approach type of council, then the research will be initiated, stimulated by the 21 members of the council perhaps through some informal discussions from time to time with people in government, but there would be no direct ties at all. I think that is a very important aspect of the debate the committee will have to face.

Mr. Mancini: I find the work you have done rather impressive as we go through the research status report. I think you have covered a lot of issues. I might say many of them are current issues. I do not necessarily agree that you are not dealing with current issues. I think you are. I do not necessarily agree with the fact that what you do is not a useful tool for elected officials. I do not believe there is any staff person we could hire who could make us look any more clever than we actually are.

12 noon

If a person is interested in inflation and taxation, for example, there is a very good document here, if one wants to spend a few hours going over it. If a person is actually interested in the deficit, there is a nice document here that person could peruse for a while. While Cliff Pilkey did not agree with this, the fact that he said he did not agree with it and the appendix to is very important, because I now have two views to consider. If every document you publish is agreed to by all the members of the council, I am not sure how useful you would be. We must have the opposing view.

While there was some criticism that Mr. Pilkey did not sign three of the four reports, on the other hand, I find that somewhat helpful, because I want to know what Mr. Pilkey's views are and I think on some occasions he has some very good points to make. So what if he did not agree with you? I find that he was involved and was able to state what his views were to be quite helpful.

Mr. Chairman: Have your ears recovered from that dissenting opinion yet?

Dr. Courchene: Mr. Pilkey is still on the council. Labour is not on the Economic Council of Canada.

Mr. Mancini: The other point I want to make is in regard to how you go about contracting your work. I would like to know more about that. How do you contract your work? To whom? I want to know the mechanics of it. How do you decide who is going to do a project for you?

Dr. Courchene: It depends on what the project is. In regard to our longer-term research, our typical position has been to circulate some documents to the community at large, basically the academic and business community, outlining the areas on which the council will consider receiving proposals. We give them three or four months. They have a proposal with a budget and a time plan, the methodology they are going to use, the data sources and why they are qualified to do it.

We get all of these in and set up internal committees to go over them again and try to rank them according to priorities. Then we look at what money we have to spend and we allocate these things on the basis of the council priorities, whether the peer group assessment indicates that it is likely to be generally new research and that the methodology is adequate to the task at hand or whether it has been done elsewhere and we are just being sold a retread. That is how that part of it gets done.

For the conferences, we have to act more immediately. When we wanted to get something done, for example, on a federal-provincial conference, when we wanted somebody to talk about the role of first ministers' conferences in the Constitution and in the federal-provincial area, we asked Peter Meekison, who was just retiring as Deputy Minister of Federal and Intergovernmental Affairs of the Alberta government. He has been through this process for years and years, so he was contracted to do that piece on the role of the first ministers' conferences.

When we wanted to get some regional views of federal-provincial relations, we tried to cross all parties. We got Claude Ryan, who had then just stepped down as leader of the Liberal Party of Quebec, Robert Stanfield representing the Conservatives and Roy Romanow representing the New Democratic Party to get regional perspectives, one from Quebec, one from the Prairies and one from the Maritimes. Stanfield was also national.

We do not farm out those particular things, because we have particular individuals in mind after discussing with the councils that these are the best guys to do it. We have to balance the situation. So that is how we handle that. Our contracting depends on what we are after.

Mr. Mancini: Do you end up using many of the same people over and over again?

Dr. Courchene: Yes. Well--

Mr. Mancini: Let us say many of the same institutions.

Dr. Courchene: We try to move it around institutions and we try to move it around people. We do not always succeed.

Mr. Mancini: Has the University of Windsor done much work for you?

Dr. Courchene: No.

Mr. Mancini: May I ask why?

Dr. Courchene: I do not think they have submitted very many proposals to us.

Dr. Conklin: I cannot think of any proposals submitted.

Mr. Mancini: Have they ever been asked?

Dr. Courchene: They are asked as everybody else is. These are sent to all the department chairmen in the system and they can respond. Nobody is compelled to submit proposals.

Dr. Conklin: I would just mention that there is a gentleman at the University of Windsor whose job involves assisting professors in submitting research. A couple of years ago I did meet with him to discuss our process.

Mr. Mancini: Who would that be?

Dr. Conklin: I cannot recall his name offhand. I am sorry.

Dr. Courchene: But there is a tendency for a lot of the research to go to those schools that have well-developed graduate programs. We are quite cognizant of it and we allocate people depending on what institution they are from.

Mr. Mancini: I just find it surprising that Windsor has not actually responded. I am surprised it has actually not done anything for you.

Dr. Conklin: May I add something along those lines just for a moment, please? You will find there is a document, dated July 26, 1985. That document discusses the manner in which we have recently been attempting to put together some general guidelines for those who might like to submit a proposal to us.

In view of the budget cuts we have experienced during the past couple of years, it has been three years since we sent out a request for research proposals. But faced with the budget increase that we were given at the beginning of the current fiscal year, we felt we could send out a general request for research proposals. We attempted to develop specific areas, themes, within which we would encourage people to submit proposals. This would help to solve the problem to which you are pointing, that there may be people out there who are not really adequately familiar with the bidding process or the proposal process.

You can see in the document, dated July 26, our attempt to choose specific theme areas with the intent of sending out a request for research proposals within the next six or eight weeks. In view of our situation as of yesterday, it may not be possible for us to send out a general request for research proposals as we had envisaged when we developed these themes.

Mr. Mancini: So you tell me you have not contracted anything out in three years. Who has been doing--

Dr. Conklin: No.

Dr. Courchene: No. We have not sent a formal request throughout the system for proposals.

Mr. Mancini: But you have continually done some contracting.

Dr. Courchene: We have done some contracting, but it is at a very reduced level. We have tended because of that to focus a little bit more on the conference and on shorter-term issues simply because, for example, in the federal-provincial area things are really coming to a head and they are very important for Ontario. It does not really help to conduct a two-year research program in a particular area when the system will decide it in a year and a half.

Mr. Mancini: I understand.

Dr. Conklin: It would be useful, though, for us to be able to send out to every member of the Canadian Economics Association, to each chairman of the economics departments, to the deans of the business schools and so forth a request for research proposals that would indicate the themes the council would like to pursue during the next year or two. It would be useful to be able to do that, and you can see our attempt here to do so.

Mr. Mancini: I would like you to pursue the Windsor situation because, if other universities are doing work for you, that improves the status of those particular colleges or universities, and I think Windsor should share in the operations of the government of Ontario if at all possible. I would just leave that as a comment.

My last question is basically on the future of the economic council. We have had some minor discussion of whether your mandate should be changed, whether you want to be more or less directly related to the government or to be able to do work for committees, etc. Has there been much discussion at council meetings about this? Has there been a consensus that you might want to send to this committee later on before we write our final report?

Dr. Courchene: We are obviously a little bit biased on all of this.

Mr. Mancini: I understand that.

12:10 p.m.

Dr. Courchene: We try to think we are not, but I suspect we are a little bit. We think we have done some excellent work for the province. I think it is much easier for the individual council members to say this and really have it be meaningful because I get some sort of stipend for my work. We have tried very hard over the years to become more relevant to the policy process and we believe we are in the process of accomplishing that. We have gone through some internal reorganizations and internal reorientations.

But there is a difficulty when we keep getting these very confusing signals from Queen's Park. After a long struggle last year we geared up to saying, "They really like us once again." We get all geared up to do this. I am just hoping there is a mistake. There is probably a mistake in the decimal point of that figure.

Mr. Mancini: We still like you.

Interjections.

Mr. Mancini: Mr. Bossy said I should speak for myself.

Mr. Chairman: Let us not have a spat here, boys.

I am watching the clock, gentlemen. I have two speakers on the list. Is it conceivable that we will wrap this up this morning and allow these people to be free this afternoon, or do I have more participants?

Mr. Warner: Let us try to wrap it up.

Mr. Chairman: Let us wrap it up. Okay.

Mr. McCaffrey: Professor, have you met yet with the new Treasurer (Mr. Nixon)?

Dr. Courchene: The answer is no.

I had a couple of scheduled appointments and I was ill for one of them. I was in the unfortunate situation that I had contracted to go learn French this summer. It is the 100th anniversary of my family's defeat at Batoche, Saskatchewan, and I thought it was time to look at my roots a bit. So in January I signed up for an immersion program in northern Quebec, and very unfortunately it coincided with the transition and the taking over.

I had an appointment scheduled with the Treasurer. Then I had some minor surgery a week ago, and it was cancelled. It is on the blocks for a meeting with the executive and then the council. But the short answer is no. I guess I could have just said no.

Mr. McCaffrey: I understand. When the opportunity presents itself, what might you want to say with regard to the budget and might we be able to help?

Dr. Courchene: I guess I want to find out what the rationale is for the budget cut first. My initial desire when I see the Treasurer is to impart to him some of my views on the Ontario economy and what policy might be more appropriate. I find this issue of the budget disconcerting.

Dr. Grant: Let me speak more plainly. I think the agenda we had started to come up with and are hoping to firm up at a meeting of council this afternoon is an important one. We very much feel as members of council that we are meeting these needs for practicality, relevance and usefulness. It is a real blow to me personally, and I am sure to all of us, to feel that right at the outset we are being told to cut right back and lose relevance at a time like this.

As Tom has suggested, there are some very important issues on the table for Ontario on which we feel we can be helpful. Some of them are medium-term and some of them are very near-term. I hope Tom and I, and we would very much solicit your support, can have another look at these numbers and see what they mean.

Dr. Cook: May I just make another point about that? It seems to me that some of what has been said here this morning by the members of the committee suggests we need more in-house people, and that, in turn, costs more. I personally regard it as a mistake to have the emphasis on totally contracting out, but our hands are tied when we do not have the funds for more internal people.

Mr. McCaffrey: I love the expression Bill used with regard to the relationship or the feelings that exist between members and staff of the council and the bureaucracy in Treasury. He said "a healthy tension." That is a good expression. It says everything that needs to be said.

I want to ask whether there is a formal relationship between senior people within Treasury and members of council. I am very simply getting at whether you meet quarterly. Is there anything of that nature?

Dr. Courchene: No.

Mr. McCaffrey: Further, when you do something that relates to health, for example, or rent controls or housing, would you as a council wish to meet and attempt to meet privately with the ministers involved--Health, Housing or any other who was germane to your study?

Dr. Courchene: Perhaps; but we would always meet with the deputy ministers. I have made it a policy, perhaps wrongly, that when we have had conferences, for example--basically under the Conservative government--ministers have never been speakers at the conferences we put on. If you bring politics in there--

Mr. McCaffrey: Oh, no. I respect that.

Dr. Courchene: We have stayed away from that. There are many other ways to get the views of the politicians. In everything we do we invite members from all three caucuses to our activities; we hope we are plugged in enough to assist them to know what the issues are. However, I do not formally make it a point to meet with the minister.

Mr. McCaffrey: Let me throw out a thought. There are ministers from time to time in various governments who are more

interested in ideas than they appear to be, and an opportunity to meet privately, without their staff, would be useful.

I do not want it to appear that anything sinister ever goes on in the system. There is not; there is no mystery to it. People in the bureaucracy are bright, good and gifted and have often staked out a position or positions. I think it would be a great opportunity for a minister to have at least a private lunch with the council from time to time. That is all I am suggesting. The minister in most instances would benefit, and conceivably there might be a good exchange of opinions.

Gail has made the very valid point about technical information. That is absolutely correct, but we sometimes overlook that, because immersed in all that technical data about taxes, health premiums and rent controls there are some pretty simple issues too, the politics, which the minister can help to deal with.

Dr. Courchene: I would like to correct what I said. We do meet with the Treasurer. I meet with the Treasurer from time to time. There is also a bit of healthy tension, I suspect. We report to the Treasurer, not to the Premier, for example; so there are probably some bounds beyond which we ought not to step. If I were meeting every three weeks with the Minister of Industry, Trade and Technology (Mr. O'Neil) or another minister, the Treasurer would soon wonder what he was funding us for, in that we have traditionally been under the Treasurer.

Mr. McCaffrey: I have a final comment, and it is really in the form of a question. Now that I think about it, what this committee is doing this week and the rest of our sitting schedule is indicative of a lot that happens in this place. We have a fairly hefty agenda, and we are going to be moving on, probably this afternoon and certainly by next week, into totally different areas. We will be writing and making some recommendations, and we are not going to have an opportunity to talk with you again.

What would you like us to do? There must be something you would like to recommend. A change in your mandate? I do not want to get into the budget again; I know you do not want to either. What would you like us to think about as we wrestle with writing the recommendations after our chance to meet today?

12:20 p.m.

Dr. Courchene: I guess I would like the council to have a sense of stability that is longer than a six-month period. We are getting very jittery in what we do, and part of the reason we are finding so much difficulty is that we do not seem to have more than a six-month planning period where there is any degree of certainty.

Our process is not a calendar-year process. Our process is one that might take two or two and a half years from initiation to publication. We understand restraint; we will be as co-operative as we possibly can be. But we would like lead time, for one thing, if there are any major changes. We would like some discussion before any major changes of what is asked of us or desired of us.

I am too close to this, but it seems to me that after our meeting last spring, the council was quite satisfied that it had worked and had carved its own niche, not only within its mandate but also with respect to what we thought others expected from us. We were happy within our own skins, to use an anglicized French expression. At that point, we were quite happy with where we were and the way in which we felt we fit in.

Dr. Cook: In my view, because of the instability in the funding, council is put in a position of changing its objectives every few months. I do not think that is the way any sort of decision-making process should operate. If you people have suggestions on the objectives, any group can adapt; but you cannot adapt by having, through the back door, to change your objectives every six months to meet budgetary constraints.

The research director could wax eloquent over the implications of a budget cut like this. This is not to say any organization has to respond, but we would like to know what the nature of the beast is. That is just amplifying the chairman's comments.

Mr. Bossy: I have some difficulty with the unanimous consensus reports in view of the fact that the council as a whole meets only about five times or so a year and we know the groups that work on identifying the issues are working separately. How can you meet only five times in a year and be able to come up with a consensus report, when the majority of the members of the council would not be involved in the issue you are trying to come to a consensus about?

If there are five people, I do not know how this is broken up and how many people would deal with an issue within the council itself. However, if you are meeting only about five times a year, how can you then say you can come up with a consensus report on basically little or no knowledge of what has transpired to evaluate the data that have been obtained for that issue?

Dr. Courchene: That is a very good question. The council meetings are formally quite separate from the process of generating position papers. Every position paper we have done has been preceded by a conference; so we get the background information. All the council members are invited to attend, and they get the papers whether they come or not.

Shortly after the conference, we would have a quick meeting among five or six council members, not the whole body, to ask whether it is possible or makes sense to write a consensus on an issue. They would probably say: "No. We might write a position paper." We tried that. We have given up on some of them because we cannot get consensus.

Once the process starts, there are three or four people--the research director and myself and a couple of other council members--who would probably spend more time on the project than the other council members. It is also sent out, revised and gone over several times.

The option is open for a council member to say: "This is a very important issue, but I have not given it enough thought. I would rather abstain." We have not had too many abstainers. We have had Gerard Doquier abstain; he thought it was a conflict of interest because he was on a royal commission. We had a couple of other council members abstain on occasions because of other conflicts of interest they were involved in.

If the council members have signed these items, it gives an indication that they themselves felt they were adequately apprised of the whole process and the issues that they could take a position. Signing a document does not mean you are in favour of every bell and whistle; it means that on average you come down in favour of the thrust of the policy.

Mr. Bossy: One thing troubles me a little. I know there is sensitivity as far as being at arm's length from the government is concerned. However, I also know, and I am not politically naïve, there is usually a political philosophy behind everything for which one stands.

I recognize the way the council has been established, and let us face it, regardless of who is in government, the process that is used for establishing a council, board or whatever has been highly politicized in the last short while, concerning appointments. I know every council member is sensitive to that, and it is only normal because of the publicity it draws.

If you are on a council or board, you are sort of labelled as being part of the government that put people in place; in other words, you are assumed to share the philosophy of the government of the day. That is quite factual too, because normally it will tag on one or two members for the politically expedient purpose of not being accused of appointing one colour totally. However, this hangs over your heads too, as you can realize.

You have work in progress, a very ambitious program; then you are to report to the people of the province and not to the government, because that is not your mandate. The reports you draft definitely would have to be politically influenced by your own philosophy, yet you must maintain this arm's-length position.

Knowing the majority of the board is practically of one philosophy, people are getting very sensitive to the feeling that these councils or boards are very politically motivated. In Ontario, we have had 42 or 43 years, pretty well, with one government; so it is a deeply entrenched philosophy, and your reports would tend to go along with it and not aggravate it.

I am saying what people outside these chambers feel, because we have been accused of having partisan reasons and all kinds of things as motives.

When you say you report to the Treasurer, that in itself would open the door for him. He has the power of generally being one of the inner cabinet and of making appointments, and he could say, "Now, look, this report is not going to do us any good." He could delay your report and bring influence to bear.

It is not just my mind thinking that. I have heard many others comment on the government's influence in these so-called arm's-length councils, boards or whatever, the agencies or corporations that have been established. I know it is hard for you people to comment on that because you realize it, but the question mark is there.

There must have been a way for Mr. Miller to have you look into this thing. How much more has it been influenced behind the scenes by the government? I fear there has been an influence and credibility has been lost, leaving us with the question of whether it should stay.

12:30 p.m.

Dr. Courchene: I find it difficult to answer that, in part because I had at one point a partisan background. I have done my utmost to effectively take upon myself the equivalent of the civil service oath, which I did not take, to refrain from political behaviour of any sort whatsoever while I am chairman of the council. I have upheld that.

I know it is true that if the government of Ontario attempted to hold back or delay one of our publications, every single council member would resign. However, at the same time, the council members are extremely anxious to get the views of the government about what issues it thinks are important. It is a complex relationship.

I understand your concern about the way the council can be viewed. It is one of the issues that are inherent in a council that is representative of a broad spectrum of society. I have virtually never heard people on council speaking from partisan positions. I do not know the positions of half to three quarters of the council members. Some of them do not hide them. There is nothing wrong with an individual council member belonging to a party, and some do.

I am giving my own philosophy about this. You are raising an issue that perhaps others can comment on, because I am in a somewhat vulnerable position.

Dr. Auld: The question of funding has come up several times. I take it from the comments that one of the concerns is the direct funding through the Ministry of Treasury and Economics and, therefore, the sort of implicit reporting that goes back and forth.

Is there any way the committee can explore alternative ways of funding the activities of the council to ensure that funding would come basically from Ontario and not directly through any ministry? I do not know. I leave that as a question. However, that would remove one of the elements that concerns you.

Mr. Bossy: I have a short question on this.

Mr. Chairman: I am going to put it to you. It is 12:30. I had two speakers; I heard them. If you want to hear more

speakers, I have lots of them and we can come back at 2 p.m. What is your pleasure?

Mrs. Marland: I have not spoken, and I would be three minutes at the outside.

Mr. Chairman: What is the committee's pleasure? Do you want to hear this? Okay, Mr. Bossy, finish up--

Mr. Bossy: It is okay; go ahead.

Mr. Chairman: Go ahead, Mrs. Marland.

Mrs. Marland: It is more of a statement than a question of the people before us. I have to address the comments that have just been made.

If there is a question mark in this province as to what the Ontario Economic Council is, what it does and what its responsibilities are, then it is up to anyone who has an opportunity to clarify that. We, as elected representatives of the public, hear questions and suggestions; it is up to us to take a position and to make sure the public is informed that this question is not a question but a statement about what goes on.

As a newly elected member of the Legislature, it might be perceived that I have not heard these kinds of questions, queries and suggestions. However, I would like to state that I have not been locked in a closet somewhere in a back mansion where I was not aware of what was going on.

I am not aware of this being a question or a concern of the public. If I had been, I would have made it my duty to find out exactly how the Ontario Economic Council worked, what its reporting route was, and to allay the concern. I would have established whether the concern was valid; if it was, I would have done something about it through my own member, or if I found the facts were that the concern should be allayed, it would be my responsibility to do whatever I could to inform the public.

When you look at the kinds of people who sit on this council, I want to say it is the best bargain the people of Ontario have in terms of their academic and professional backgrounds and their proven commitment to serve the people of this province. I know the discussion about the per diems probably had to take place, but I found it a little embarrassing; it is almost an insult to these people, who for years have proven they are willing to make a contribution to the future of our province regardless of who is on the government side of the House.

Personally, through you, Mr. Chairman, I would like to thank the members of the Ontario Economic Council for the contribution they have made. I hope most of them will see their way clear to continuing to serve the people of this province in the way they have.

I hope the council's concern about the budget will be resolved, because I understand there is no way they can function

without knowing whether they are going to be able to afford a staff. There is no way they can even start looking into areas of studies and issues without that long-term security. We would be sadly regressive in this province to consider doing otherwise.

Mr. Chairman: We would like to thank you for your tolerance here this morning and for discussing quite freely the work of the council and the problems and the advantages we have in having an economic council.

You know we will be putting our comments in report form. We will be making some recommendations which will be dealt with by the House and by the various ministries. If you have other matters you would like us to consider--if, for example, at your council meeting this afternoon you arrive at certain decisions, or there are things you want us to be aware of--please feel free to forward to us any other information, opinions or whatever you would like to help us in completing this review.

Mr. McCaffrey: We hear all that; we are here all the time.

Mr. Chairman: I would like to see this committee run without per diems. It might not be quite so patriotic.

Thank you very much for being in attendance. We appreciate the work you did for us this morning.

Committee members, we are adjourned until 2 p.m. This afternoon we will have several organizational matters about who and how we will hear them. We have a couple of review agencies about which we have to give some direction to staff. We have some organizational work. We are going to make some decisions this afternoon, and we are going to start at 2 p.m. If you come in at 2:10 and the decision is made, that will be too bad.

I do not believe we will need the services of Hansard this afternoon. We do not want to record this kind of stuff.

The committee adjourned at 12:37 p.m.

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STANDING COMMITTEE ON PROCEDURAL AFFAIRS AND AGENCIES, BOARDS
AND COMMISSIONS

TORONTO STOCK EXCHANGE

TUESDAY, SEPTEMBER 10, 1985



STANDING COMMITTEE ON PROCEDURAL AFFAIRS AND AGENCIES,
BOARDS AND COMMISSIONS

CHAIRMAN: Breaugh, M. J. (Oshawa NDP)
VICE-CHAIRMAN: Mancini, R. (Essex South L)
Bossy, M. L. (Chatham-Kent L)
Marland, M. (Mississauga South PC)
McCaffrey, R. B. (Armourdale PC)
McClellan, R. A. (Bellwoods NDP)
Morin, G. E. (Carleton East L)
Newman, B. (Windsor-Walkerville L)
Sterling, N. W. (Carleton-Grenville PC)
Treleaven, R. L. (Oxford PC)
Warner, D. W. (Scarborough-Ellesmere NDP)

Substitution:

McKessock, R. (Grey L) for Mr. Morin

Clerk: Forsyth, S.

Staff:

Eichmanis, J., Research Officer, Legislative Research Service

From the Toronto Stock Exchange:

Boast, K. E., Vice-President, Member Regulation
Bunting, J. P., President and Chief Executive Officer
Popowich, T. W., Vice-President, Economic and Public Affairs

LEGISLATIVE ASSEMBLY OF ONTARIO

STANDING COMMITTEE ON PROCEDURAL AFFAIRS AND
AGENCIES, BOARDS AND COMMISSIONS

Tuesday, September 10, 1985

The committee met at 2:21 p.m. in room 228.

TORONTO STOCK EXCHANGE

Mr. Chairman: Mr. Pearce Bunting is here. He is the president of the Toronto Stock Exchange, and we are going to offer him the chance to make some opening remarks.

As I tried to explain this morning, during the hearing process we like to give an opportunity to the agency to present to the committee any problems they are having, anything they might anticipate, any recommendations they might have for us on how the agency functions and what we could do as a committee to expedite their business or resolve some of their problems. It is also an opportunity to put on the record whatever they would like to toot their horn about.

The process we will use this afternoon is that Mr. Bunting may make some opening remarks, if he likes. We would be happy to entertain answers or anything from others who are with him. The only request we would make of you is that, for purposes of the Hansard people, you identify yourselves before you speak so they will be able to record it properly.

Once you have made your opening remarks, I will go over the questions that were prepared by John Eichmanis, our researcher. Then the committee will chat with you for a while this afternoon. Proceed.

Mr. Bunting: Mr. Chairman, my name is Pearce Bunting and I am the president and chief executive officer of the Toronto Stock Exchange. In welcoming you to the exchange this morning, I was able to give you a brief history of the exchange, to indicate that we are the largest exchange in Canada and do roughly 76 per cent of the business in Canada and to give you some idea of the size of the other exchanges in this country.

Our primary role is, to use our terminology, in the secondary markets. That role is very important. When I say "secondary markets," I am referring particularly to the buying and selling of corporate shares after they have been issued by the treasuries of the corporations, so that they are by this time in the hands of shareholders who may wish to buy them if they do not have them or sell them if they do have them.

The reason this function is in itself important is that you can imagine that if you sell shares from the treasury to somebody who does not have the ability to sell them, if circumstances arise in which he might like to sell them, then he is going to be at far higher risk and is going to demand a higher return on his investment as a consequence of that risk.

By providing the ability for someone to own shares, to own part of a corporation as against the whole corporation--which, of course, would be the case privately--and, second, to be able to sell those shares quickly, we make the cost of financing for Canadian corporations less expensive. That is probably the prime role of the exchange.

It is our view that our mission is to be the locus of trading of Canadian securities for Canadian and foreign investors. Obviously, a certain amount of trading takes place outside Canada that does not take place through our exchange, and that is a problem we are addressing within our planning at the present time.

The way we function is to provide a place where all the people who trade, either using the computer system you saw this morning or the floor where traders can all come together at a central point, know the price they are getting at that moment for that stock is the very best price available either to buy or sell in Canada.

If you were trading what we call "over the counter," which basically means dealer to dealer, you would do the trade with them. They do keep track roughly of where the market is, but you could not be assured that you were necessarily at that moment getting the very best price anywhere in the country. With the system the stock exchange provides, you do get that.

I often think of it essentially as a communications system. A certain piece of information is made available to the public. Incidentally, we do our very best to ensure that all members of the public are dealing with an equal amount of information. Assuming that information is made public to people, judgements are made on the information, often in conjunction with the registered representative who works for the broker. Then those buy or sell decisions come in and change, in effect, the numbers that are showing in the exchange, either upward or downward according to what the public judgement is in regard to that situation.

That price we set is the price that is used by the distributors, the bigger houses that do the distribution of Treasury shares when they do a primary underwriting. Either they look at a situation that is directly comparable--in fact, it may be the same corporation, in which case they can look at what the market is and decide by how much they are going to discount in doing their primary issue--or they look and say, "This is a gold mine of a certain size; it is very much like this one," and price their issue accordingly. So we are setting the price or allowing a price-setting mechanism--"price discovery" is the technical term for it--at which people are trading, but we are also providing the price from which primary issues are priced.

As I said to you this morning, it is our judgement that public confidence in the markets is absolutely critical to people being willing to trade. People are willing to take a risk, but they want to know that the risk they are taking is related to the actual investment they are making and is not related to having to worry that their stockbroker is going bankrupt or that they are going to be dishonestly dealt with or that there is manipulation and that sort of thing going on within the system.

We do our best, as I said, to do the regulatory job and, as I also said, I give great credit to my predecessor, Jack Kimber, who was largely responsible for the regulatory organization we have at the exchange today. We do it directly with the trading through our surveillance. We do it in terms of our audit of our members and in terms of the protection of the public from the broker getting into financial trouble. We do it by following up. Obviously, in any system, problems do arise and things do happen. We have a full group of investigators to follow up.

2:30 p.m.

We have our own regulatory procedures and we have hearing panels. Every hearing panel has a permanent ex-lawyer who acts, in effect, as the head of the group which is holding the hearing. It is normally two people from the industry plus a chairman who has a legal background to ensure that we are handling the case in a proper fashion. They make judgements based on precedents that are maintained by the exchange and on information brought forward by exchange staff.

I should point out that, within certain limits, the exchange is able to take a tougher line than could be taken by the courts, because it is an organization with a membership structure. People, in effect, say that they are willing to accept the judgements of the exchange. Therefore, there could be a case where a court might decide that the case was not absolutely positively proven without any chance of mistake, whereas, frankly, we can use what sometimes is referred to as natural justice, or, as Mr. Boast just said to me, street smarts. Everybody knows what happened, and judgements can be made that are marginally--not materially, but marginally--tougher than would be the case in a straight court.

As I mentioned to you earlier, we are taking certain steps to try to ensure that the price a Canadian receives when he trades on our market is not only the best price available anywhere in Canada but the best price available anywhere in North America, which virtually means, when you are talking about Canadian stocks, anywhere in the world.

In order to achieve that, we are developing trading links with the American Stock Exchange and with the Midwest stock exchange, and you will be seeing a lot of publicity later this month in regard to the beginning of our trading links with the American Stock Exchange.

The essence of those trading links is that with the trading that is taking place, essentially between Americans, in the United States and on their exchanges, what we have basically agreed is that if there is a better bid or offer here for one of the stocks that is trading there, the order from there will be brought to this market. On the other hand, if there is a better bid there, we will send the order to them. So we will be able to say to Canadian investors, "You are getting the best price anywhere in North America."

I am just looking at my notes and sort of skipping through here. You had the opportunity to look at the computer-assisted trading system. You were probably informed that there are now roughly 200 terminals across Canada, that there are two in member offices in London.

We are in the process, we hope, of arriving at a deal with the Paris stock exchange where we will be able to sell them our automated trading system. I have publicly stated I would like to arrive at trading links with exchanges outside of North America. Certainly, if other exchanges buy the exact system that we use, for part of our trading at least, that will be made easier.

I am aware that Mr. Boast commented to you on our view with respect to our regulation by the Ontario Securities Commission.

Mr. Boast: No, I have not.

Mr. Bunting: I am sorry, you have not. I thought you did it at lunch. I apologize. Mr. Boast is going to comment to you about our regulatory procedure; so I will leave that to him and allow you to question him on that. As I said this morning, Mr. Boast was the vice-chairman of the Ontario Securities Commission, and we feel that, in having him as the head of our regulatory setup, we have someone who is without peer.

I have little notes here on matters regarding industry structure, but I think I would rather let you ask questions, if you specifically want to ask about that. At this point, I would make myself open to any questions you might have.

Mr. Chairman: Fine. Let me just go over the material that has been put together for us by John. Would you begin by saying a little bit more about the relationship between the stock exchange itself and the securities commission, Mr. Boast?

Mr. Boast: I will try to be brief. I think what they meant in saying that I was without peer was that I know the civil service dodges.

I am looking at the pile of material that each of you has before you, for which I am responsible. I have known both sides of the street now; at least, I thought I knew both sides of the street. What I have found in my experience is that I am unpopular on both sides of the street. I am the fellow at whom the commission and the members throw brickbats. We are diligent in our regulation, and I am proud of it.

By way of background--and these are things that, of course, you are perfectly aware of--securities regulation in Canada is provincial; there is no federal securities exchange commission. Some provisions of the Criminal Code and some provisions of federal corporate statute apply to the securities sphere, but by and large it is left to the provincial commissions to regulate securities trading in Canada.

By and large, it is your commission in Ontario that regulates securities trading in Canada, because it is the premier, the flagship regulator. Here in Ontario we have the premier exchange and we have the concentration of institutions that invest in the market. Those forces lead Ontario to have the predominant, preponderant effect that it has on the nature of the markets and their regulation in Canada.

Under the Ontario Securities Act, one of two relevant acts, the other being the Toronto Stock Exchange Act, no exchange can operate in the province unless it has been recognized by the commission. That gives the commission its opportunity at the outset to review the operations and planned operations of any exchange.

Over and above that, as a result of experiences through the years, the act has built into its regulatory scheme a fair swatch of power in terms of regulatory oversight for the commission. The commission is able to make decisions on the manner in which a stock exchange carries on its business; on any bylaw, ruling, decision, whatever, of the exchange; on trading through the facilities of the exchange; and it can ensure that issuers who are listed on the exchange comply with the act and the regulations.

Some of you who have a memory dating back a few years in this sphere will remember the Windfall Oils and Mines matter, out of which arose this oversight power of the commission.

Our relations with the commission--and I have seen them, as I told you, from both sides--have been very effective. Each of us respects the other's sphere of responsibility and obligations, but we have effective communication between us on both an informal and a formal basis. Before problems become problems, there has likely been some discussion between the two of us.

One example to proffer to you is that bylaws of the exchange--which, as I mentioned a little earlier, can be overturned, or at least the commission can make a decision with respect to them--are passed by the commission for its review before they are effective. That has saved embarrassment and has probably made for better regulation in the context of regulation and self-regulation.

2:40 p.m.

In cases now where the commission decides that a bylaw or an exchange policy or requirement affects the public interest and requires a hearing, it will call a hearing. It has been doing that for some time. We formalized our relationship in that respect recently.

The exchange is left to be responsible for the day-to-day operations of an exchange. They are on the ground, but the commission is there in an oversight capacity. Provided that the exchange regulates its members in the manner that is incumbent upon it, provided that it conducts its affairs as it is expected to, the day-to-day operation of the exchange is left to it and the commission does not intervene.

Self-regulation in the Canadian securities industry is vital, because our members do not interact with you, the federal government or any other province to any great degree, save through ourselves as the medium. There is a form of national regulation through the co-ordination of the self-regulatory bodies and the commissions that results in securities regulation that is for the interest of Canada, as well as of Ontario.

Mr. Chairman: One of the criticisms that members here get every once in a while is that this is kind of a closed shop down there. From time to time we get bombarded with someone who cannot seem to break in. At least to appear to be a bit more fair, would one way be to have more public directors on the board of the exchange?

Mr. Bunting: Maybe I was not quite clear on what your first question was, Mr. Chairman. Are you referring to the ability to become a member of the exchange and whether having public governors would relate to that?

Mr. Chairman: Yes.

Mr. Bunting: Could I answer it sort of in two parts, perhaps first discussing the question of access to exchange membership? Actually, access to exchange membership in Canada, I would say, is relatively easy. Sometimes discussion really has been the other way around, about whether it is too easy. I think it would be fair to say that at this moment you could buy a seat on the Toronto Stock Exchange for \$50,000, which, for someone who is going into the securities business, would not be a prohibitive number.

As an example, to join the Tokyo stock exchange, it costs \$500,000 for a comparable seat, and to join the New York Stock Exchange, it is up to \$250,000 to \$300,000, or some number such as that. With \$50,000 plus a minimum capital of \$75,000, you can virtually be in business for about \$125,000.

I have to tell you, from a regulatory point of view, we would not be totally comfortable with your coming in on the premise that you were coming in with absolutely minimum capital. We would be encouraging you to have more capital to be ensured that if you lost money in the first few months of your business, you would not be out of business. But, fundamentally, you can get into this business relatively cheaply.

There are quite a few members of our exchange who have come in at these low cost levels and are using other exchange members to handle their clearing and take responsibility for the way the back office operations of their exchange takes place; so you really can come in with that type of capital. Relatively speaking, I do not think it is a business that is prohibitively expensive, considering the fact of one's responsibility to the public.

I do not think there is a particular connection between whether somebody could become a member of the exchange and how many public governors we have on the board of governors of the

exchange. Speaking to that specific question, as you know, at the moment the act would allow us to have up to four public governors and we have two public governors.

When the previous two public governors were retiring--before the two that we currently have--I had a specific meeting with them to discuss with them whether, in their judgement, there would be a benefit to the exchange in having more public governors. They were of the view that the size of the board of the exchange, which is only 13 people, was a very definite benefit. Many other exchanges around the world, and also in Canada, operate with relatively large boards and executive committees.

What you really discover is that the executive committee calls the tune in between the meetings of the board of governors. That might take place on a quarterly basis, and then they are really just informed about what is going on. When there is a higher proportion as, say, in New York, of public governors on the main board, what you really discover is that the executive committee is running the place anyway.

We have met more than 50 times in a year, and that is in 52 weeks. Last year, I believe, we met 44 times. This is a board which really is a policy board, but it is a board that is there to make decisions in a hurry and it is operative. It was the opinion of the public governors that having a smaller board was good. To put it bluntly, the way in which they described it, was that if there are public governors who are honest and doing their job, they will scream bloody murder if there is anything going on that should not be going on. Since the rest of the board knows that, is there any great advantage in adding more people to your board if you have that kind of person on your board? At least, it was their judgement that there was no particular advantage in having additional public governors.

Mr. Chairman: I think to explain a bit more perhaps, the committee has looked at a number of agencies not exactly like the stock exchange, but similar in nature, where there is kind of a self-regulating group at work. One of the problems we have come across is that there is considerable conflict here. Where the group is almost totally in-house, it is almost an inbred, incestuous relationship. The argument runs that in order to regulate, say, the racing commission, the medical association or anything else, you must be part of that; otherwise you do not understand what is going on.

In your case, there is a whole language to learn, as one example. You have to be part of that process in order to be meaningful with regard to running an association, looking into complaints from members or any of that. This conflicts with the fact that we would like to see a public perception which says, "Yes, but it is not totally regulated by people who are part of the business." So we have that conflict to try to balance there and we would like to talk to groups such as yours to see if we can get some sense of how public we can be.

Would putting more public directors on the board of governors do anybody any good or any harm? In essence, it might come down to the fact that it simply changes the perception that this group runs its own show or alters it somewhat.

Mr. Bunting: I would not disagree with you. There is the perceptual question, and this is one of the things I did discuss with the public governors. As I say, their view was that if you had honest people who were willing to scream, it was better to have a smaller board, that it is a very complex business and that, frankly, it takes a reasonable period of time for people to come up to speed. It was their judgement that having a larger number was not going to be particularly beneficial.

2:50 p.m.

If you want to talk in a certain sense of the watchdogs of the industry, I think you also have to remember that in our case we have our public governors, with a direct responsibility to the public, who are sitting there within every board meeting listening to every word that is being said. But we also have, of course, the Ontario Securities Commission, which is the overseer of the exchange and has the right to overturn any ruling, bylaw or regulation that we may come up with. So we not only go through the screening process on any bylaw or ruling of the board, but that, in turn, has to be bucked up to the securities commission. Obviously, everyone on the securities commission has been chosen by the government to act in the public interest.

We have this dual bulldogging, or watchdogging if you want to call it that, that is operative in our case. I think if you were to ask most of the public, they probably may not even be aware of our public governors. If they really look, they say, "It is the Ontario Securities Commission that we really look to as the regulatory agency of the Toronto Stock Exchange." Certainly, when I read the articles in the press, that is the case.

Mr. Chairman: I would like you to comment on the deregulation of commission rates and what impact that is having.

Mr. Bunting: There has been a drop in the average commission rates. What it has really meant is that every order has to carry its own weight. This is something I pointed out to the securities commission at the time of the hearings. The simple fact was that prior to deregulation of commissions, the smaller order was, frankly, being subsidized by the larger order. With deregulation of commissions, just like any other industry, the big buyer was in a much more powerful position to negotiate his commissions downward, leaving the brokers with no residual amount with which to subsidize the other orders. The consequence was that, initially, the very small order actually went up in price.

As time has gone by, we have the situation where the large order has gone down materially in price and the small order, because of competition, discount brokerage and that sort of thing, I think it is fair to say, is now back to where it was before negotiated commissions. But the very small order, frankly, has not

benefited from negotiated commissions. I think some people thought that would be the case, but those people were certainly told by me that that was unlikely to happen, and it has not.

Mr. Chairman: I certainly cannot complain that you did not give me enough information about the stock exchange. In general, has the exchange really tried to educate the public on what a stock exchange does, what role it plays in Canada's and Ontario's economy and that sort of thing? In other words, is there a need for the public to have a better understanding of what the exchange is, what it does, what its impact is, because I dare say that most of the people of Ontario have very little knowledge, other than that there is a group of very powerful people who sit on the stock exchange and make a pile of money. That is about the extent of their understanding of what the exchange does. Is there a need to do more in that regard?

Mr. Bunting: I believe Terry spoke to you at noon on the subject. We did do a study on this question and we intend it to be a continuing study; therefore, we will be doing it again next year. What we discovered was that the public participation in the Canadian stock markets is roughly half that in the United States. We tried to analyse why that was so. I cannot say we have genuinely come up with a clear answer. One of the points made by people who were not investing was that they did not feel they knew enough about it.

The other point they made was that they saw the stock exchange as extremely risky. In my mind at least, those two go hand in hand because, obviously, if you are better informed and have a better sense of the stock market and how it operates, you will not see it as being as risky as if you no sense of it at all. The facts are that the stock exchange has given, over any extended period of time, the highest rate of return of any investment that you could make. Obviously, within any short period of time you cannot be sure on any particular day where the stock market is, but the long-term return is very high.

Rather than my going into great detail, perhaps Terry could put on record the main points he made at noon.

Mr. Popowich: For the committee's edification, my name is Terry Popowich. To supplement what I said over the lunch hour, and I shall keep my comments brief for the record, we at the Toronto Stock Exchange believe we have a strong education program. Our major objective in these programs, as Mr. Bunting has just said, is to overcome the barriers to share ownership. We want, and have tried, to encourage widespread knowledge of securities investment, because there is a lack of understanding of stocks.

As Mr. Bunting pointed out, one of the key things we found through our studies is that perhaps Canadians do not invest as much as other people in other countries. This is true particularly in comparison to the United States, where share ownership among Americans is 22 per cent, while in Canada it is currently at 11 per cent.

Let me go back to the survey. Our survey on the attitudes of Canadian shareholders indicated that almost 23 per cent of non share owners in Canada state that the most important reason for not investing in stocks is a preference for safer, less risky investments. The next most important reason, cited by 22 per cent of respondents, is a lack of understanding as to how the stock market works.

We believe we have identified these as barriers to share ownership, and we think there is an obvious way of overcoming them. We are trying to develop an educational program that includes a visitors' centre that sees over 100,000 people a year, radio broadcasting that hits over 500 world radio stations, the creation and distribution of literature about the stock market and a media relations campaign that augments that and tries to deliver that message in satisfactory ways. We conduct seminars for the public and for educators on how to educate. We work with a variety of schools and universities in developing what I think to be some innovative games on how to invest in the stock market and what the stock market is about.

As I mentioned over the noon hour, we are developing some new ways and new techniques of targeting those potential share owners to let people know what we are doing, what we are about, what sort of market place we are and how to become involved.

I mentioned the creation of a board game we are working on that is in the development stages. We are working with the National Film Board of Canada on a rock video to hit a particular segment of the population. It is called Stock Rock. So we are trying, through a variety of new ways and new media, to educate the public. We have a long way to go, but I think we have made great strides. Those are just some of the most visible ways.

3 p.m.

Additionally, we have initiated a very successful program in the last few years. It is called the Money Marketplace. It is essentially a mini stock exchange which is set up and operated by the Toronto Stock Exchange, a consumer show that specializes in financial education. This mini show is real. It is a mini-exchange in a very real way. It mimics a large stock market. There is actually a trading floor with bleachers all around, so the public can view trades taking place. The public can come and buy one share of any stock we have listed and actually see how a trade is executed.

We have taken those into a variety of communities across Ontario. We hope to expand that in the future and take it into other areas of the province that have not yet benefited from it. But visitors can actually buy or sell shares from any one of 20 TSE listed companies at one of these events.

I think we have accomplished a lot in those programs and we are looking for new ways and new methods of doing more.

Mr. Chairman: Basically you are trying to turn around the old saw that Canadians like to put their money in a sock or a

bank and do not want to invest in a market. You are attempting to turn that corner.

Mr. Popowich: Yes, we are trying. We have recognized the fact that people do not understand. We have a total return index, for example, initiated and run by the Toronto Stock Exchange, which indicates, as Mr. Bunting said, how good an investment a well-diversified portfolio at the TSE can be. But we have work to do in demonstrating to Canadians that it is worth while to invest if it is done properly and if people are educated in a way that allows them to do so.

Mr. Chairman: What impact will be made by the entry of banks and other institutions into the whole securities field? I know you have presented us with a couple of studies of what other companies are doing and you are attempting to get some handle on exactly where this is all going. What do you see in the foreseeable future in that regard?

In some sense, I suppose people could at least argue that the whole concept of an exchange is going to be blown out of the water just by technology alone in the next little while.

Mr. Bunting: I guess it depends on who has the technology first, and we intend to have it first. So no matter who the participants are in the market, we do not foresee that the exchange as an entity is at risk unless we do not change with the times, and we have every intention of changing with the times.

As you are aware, there is a committee at work in Ontario--we call it the Dupré committee; I am not sure what the technical term for it is--that is looking into the structure of securities markets in Ontario. There has been a report from the Ontario Securities Commission making recommendations. But at least as far as the Ontario Securities Commission is concerned, while it has suggested that a higher percentage of foreign firms in the securities business be allowed into Canada and that a higher percentage of ownership by outside entities such as institutions or brokerage firms be allowed, it has basically concluded to date that it is not in the best interests of the markets. What we call market intermediaries, which means to us the people who are putting together two parties without involving themselves in it other than to do that job, should be kept separate from financial intermediaries such as insurance companies, trust companies and banks, which essentially provide the money taken from one person to another but do it by taking it into their own account and then lending it out.

It has been the judgement of our industry, and certainly my own judgement, that there are conflicts involved in financial intermediaries becoming participants in the market intermediary system, and that if we go that route we will end up with a financial system such as currently exists in Germany, where the number of new issues and the amount of entrepreneurship that exists is infinitesimal and where, through oligarchies of control, the small operator has been prevented from getting his nose above water. We just feel that through networking--and I am using a technical term here, but what I am talking about is these people

working in co-operation to make financial products available--all the services being demanded by the public can be provided without the conflict-of-interest problems that we foresee if the groups are actually brought together.

If I am a banker and I am talking about doing a new issue or a loan, I cannot help thinking that if I think it is not too good a deal, I might be more interested in a new issue but if I think it is a pretty good deal, I might think they ought to do it as a loan. Those are the kinds of conflicts that start to arise when you put the financial intermediary and the market intermediary together.

I know the position of the industry is perceived as being a Luddite or do-not-let-the-world-change position. You are in the terrible position that if you say what you really believe, you may still be saying that the system we have is quite good, and that is really how I would answer that specific question.

Mr. Warner: First I would like to thank all of you and the others at the stock exchange who showed us a most gracious hospitality this morning. I appreciated the opportunity to learn something about how the stock exchange operates. It is difficult to absorb it all in an hour and a half or so, but it was an excellent presentation. I found it easy to relate to and I appreciate that very much.

Can I assume that the stock exchange has an interest in the viability of any company that wishes to be listed at the stock exchange?

Mr. Bunting: Yes. We have a listing department and we have listing regulations, which basically lay down what a company should be like in order to be listed on the Toronto Stock Exchange.

A few years ago we set up a committee to examine carefully the listing standards of the Toronto Stock Exchange to see frankly if we were being too tough in what we were willing to list. What we discovered was that since 1934, when the Standard Stock and Mining Exchange and the Toronto Stock Exchange came together, for mining stocks we had maintained roughly the standards of the Standard Stock and Mining Exchange in terms of what we were going to list and for industrial stocks we had also maintained the standards that the Toronto Stock Exchange had for them, so they were much tougher. We were being much tougher on industrial companies--and we had not been fully aware of it until we did this careful analysis--than we were being on mining.

Although a lot of people perceived the changes we made subsequently as an effort to allow smaller mining companies to be more easily involved in the exchange, the truth is that we allowed entrepreneurial endeavours of an industrial nature a better chance to be listed on the exchange.

I think we have to be clear that when a company is listed on the exchange, when you are talking about the very small company, the judgement that is being made on the Toronto Stock Exchange is that the investor will get an honest run for his money from that

investment. We are not putting some sort of imprimatur on that company and saying, "This is a safe company for you to come and invest in."

It is quite important that this be understood. What we are really saying is that we as regulators will do our best. First of all, this company is a company that will give you a run for your money, and I am talking about your smaller companies. We as regulators will do our best to make sure you are informed fully and equally with everyone else in regard to it, but we are not saying this company is a sure winner or anything like that.

3:10 p.m.

Mr. Warner: So if, subsequent to the listing, the company experiences bankruptcy, you do not have any real concern that you can be held accountable in any way. The company has fallen upon hard times and that is unfortunate for those folks who invested, but you are the intermediary and bear no responsibility for that relationship.

Mr. Bunting: As the intermediary we see it as our responsibility to make sure that any material information about that stock is made available to the public, and "material" literally means anything that will cause the price to move.

We have what we call exempt companies and nonexempt. Our smaller companies literally have to tell us before they make any major change in their corporate structure or any changes at all, and they have to get our permission to make them. Second, big or small, anything that is likely to cause the price at which the shares of that corporation are available must be made public.

We see our job as that of keeping the investor fully informed of the developments within that corporation. So if that corporation, which at the time it came on was clearly viable, becomes less viable with time, the investor will be fully informed as it becomes less and less viable. What really happens is there is a change in the ownership of the shares, as people who are willing to take a chance on a stock for a very high return if the thing can turn around become the people who may be owning the shares at the time of its demise.

But we are not running the corporations, and our main job is to make sure the public is informed that it was viable when it came on and that the company was going to give the people an honest run for their money.

Mr. Warner: Is it true that some banks are listed with you?

Mr. Bunting: Yes.

Mr. Warner: Do the same rules apply to banks as to other companies or corporations?

Mr. Bunting: Yes, absolutely.

Mr. Warner: Is Northland Bank listed with you folks?

Mr. Bunting: Yes, it is.

Mr. Warner: Was Canadian Commercial Bank listed with you?

Mr. Bunting: Yes.

Mr. Warner: What I am trying to get a handle on is how that type of fiasco developed. How does it come about? Somewhere somebody must have had some notion of the incompetence of the individuals who were running the show. Did any of that information pass through your hands and, in turn, as you mentioned, through the reporting mechanism to the shareholders, the folks who were buying the stock?

Mr. Bunting: There would be quarterly reports, which are put out by the company, and there is the annual report, which is put out by the company. In addition, as I said, if there were any material changes during that period of time, it was the responsibility of the company to inform us.

We are not the Federal Bureau of Investigation, so if somebody does not inform us of something material, the only way we may sometimes pick up on it is if the price of the stock changes materially. We will then phone the company or get in touch with them in other ways and simply ask them, "Is something material happening that is causing your stock to act in the way it is?" They may say there is not, and we will say to them: "That is fine. Put it on the record publicly that nothing is causing that."

I would have to go back over the Northland and Canadian Commercial files to know exactly what happened in that regard, but that would be the procedure.

Mr. Warner: Once you have done that, is the same exercise duplicated by the Ontario Securities Commission, or do you have a different run at this?

Mr. Bunting: That is in the act. It has the same timely disclosure rules and it does have people who are following up. We work together, so we will not necessarily both be following up at the same time on something. But it can simply decide, as an example, that it did not feel we had followed the thing as far as we could have and that it could follow it further.

Mr. Warner: I take it that, as events have unfolded in the case of Commercial, from whatever work you did and from whatever work the Ontario Securities Commission subsequently did, both bodies were convinced that everything was fine, that there were no serious problems, at least none so serious as to halt trading with respect to the Commercial matter.

Mr. Bunting: The point is that, from our point of view and from our information, there did not seem to be a problem. As to the adequacy of the information we received, I do not think I can comment on that. As I said, we are not a regulatory agency in the sense of being the inspector of banks or someone capable of

going in and looking at the books. To some degree we operate with the management, assuming honesty on their part.

Mr. Warner: I appreciate that point, and you are right. I understand the role of the inspector of banks although, as someone mentioned, perhaps the role of the inspector is like that of the chicken keeping an eye on the fox. However, that is more a problem for the federal government to deal with.

Do you have a concern that regardless of what the fallout will be from the Commercial Bank, or perhaps the impending disaster for Northland--since the two, I believe, are linked fairly closely--there will be some lessening of confidence on the part of the general public in making investments into other banks, particularly those banks that are not the established banks, the Toronto Dominion Bank, the Bank of Montreal, the Bank of Nova Scotia and so on, and that this will have some adverse effect on that aspect of the stock exchange operation?

Mr. Bunting: It is fair to say that any company that gets into trouble raises to some degree the worry of risk in the investor's mind, and he is going to demand a higher rate of return for involving himself in that situation. In a sense, that is what the stock market is all about. The trading in the last little while has shown that there has been some tendency on the part of investors to be worried about the smaller banks and to feel the regulatory environment will change to favour of the larger banks and, as a consequence, to bid up the price of the larger banks in relation to that of the smaller banks.

Mr. Warner: I understand that and I appreciate it. If I may just conclude, I would have a concern as well, though, that it would appear at this point that the federal government may be prepared to pay upwards of \$900 million to bail out the problem, and that affects all Canadians, including folks who have no investment.

I notice that only 11 per cent of Canadians own shares in public corporations, so it is beyond the 11 per cent; it is everybody, because we share in that \$900 million. Then I look at it and wonder who is safeguarding that interest so we do not end up making that \$900-million payment.

3:20 p.m.

I know you are acting in a sense as a regulatory body and I know the securities commission is acting as a regulatory body. I am not suggesting that the responsibility is yours or that of the securities commission. But somewhere along the line someone had responsibility and, either individually or collectively, something went wrong and Canadians are going to pick it up to the tune of probably \$900 million and maybe more. That disturbs me greatly and that is why I am interested in how you function in terms of looking at who comes into your place, how they are listed and the kind of checking or doublechecking that the securities commission does, so that the people of Ontario and the rest of the country are safeguarded in terms of their overall investment, which is beyond the stock exchange.

Mr. Bunting: I will just comment on the main point, which is when they are coming in. When they are coming in, particularly if it is a primary issue, there is a prospectus which lists in great detail information about the company. There is probably no point in time when a company has more information in the public hands than at that particular moment. That is the time when normally we are looking at the listing. From our point of view, we are looking at them to list most of the time. Sometimes they will have done their prospectus and will be coming quite a bit later. But most of the time we are listing very soon after that prospectus is out. So we are looking at them at the time when the most information is available and we have the best chance of being able to make a reasonable judgement.

Mr. Warner: Thank you.

Mr. McKessock: I am sorry I was not able to attend the stock exchange this morning, but I was there a couple of years ago with a small group from a high school from Flesherston. I realize that a lot of the public have very little knowledge of what goes on there, and I am one of them. I also feel that probably one reason they do not is that they do not want to show their ignorance by asking questions on a very complicated subject. I will try not to let that hinder me from asking questions.

Mr. Chairman: You are very vulnerable.

Mr. McKessock: There is a risk to it, as you mentioned, and many people feel it is risky. Can you tell me what percentage of the sales that you make are sold at a profit to the investor? I have heard that about 20 per cent of the people who invest in the futures market make money. I want to compare that to the stock market as to the percentage of investors who make money.

Mr. Bunting: There is quite a substantial difference between futures and equities. In a certain sense, futures, both because of time and the nature of the market, is a win-lose situation. Equities can, in fact, be a win-win situation in that over time corporations grow in size and become more profitable.

Statistically, if you have, say, more than eight stocks that are dissimilar in nature, a diversified portfolio grows with the profitability of the corporations that are listed on the exchange. Historically, that has been at a rate of about nine per cent. That is over very extended periods of time according to academics.

In equities, if you take a long-term view, you can very clearly come up with a win-win situation in that both the buyer who is buying and the seller can both be winners. Obviously, within any shorter period of time, the point really is that when you buy a share you are becoming a part owner of a corporation. You are, in a sense, the last creditor. Therefore, any specific thing that is happening within a company can affect you. That is where the riskiness comes in.

Mr. McKessock: As you say, you are now part owner in a company. What is the company obligated to pay you as a shareholder

on the stock market?

Mr. Bunting: They are not obligated to pay you anything.

Mr. McKessock: So your gain is only going to come with an increase in shares then?

Mr. Bunting: The way it is obligated to you depends on the size and profitability of the corporation. With smaller companies that are just starting, you are probably depending on the appreciation of the stock as the way you would look to make money. With a larger corporation, you can get a combination of the dividend it is paying and the appreciation of the stock.

The dividend is dependent upon the profitability of the corporation, and those dividends are more or less volatile, depending upon the type of company you have bought into. In Bell Canada, as an example, which is a regulated utility, basically a decision is made that its profitability will be in a certain range over time. You can just watch that dividend move very steadily and, as a consequence, Bell is a very safe thing; it is almost like buying a bond. There are other corporations that are in volatile businesses. They may be paying dividends, but their dividends can go up and down relatively quickly.

I think that is one of the most interesting things about the stock market, the very wide spectrum of risk you can take. You can take very risky situations and decide you are going to bet on whether a drill hole in the ground at a gold mine is going to be successful or unsuccessful, right through to buying a utility stock, where you are virtually sure because of the regulatory situation that the return is as good as a bond.

Mr. McKessock: How many people are there for whom this is their livelihood, who spend all day at the stock exchange buying and selling on a daily basis?

Mr. Bunting: If we are talking about public clients, one of the things we discovered, which frankly surprised me, was that only about three per cent of the people indicated that they were speculators in the stock market. That is a very small percentage of the public who are actually playing the game that way, and I think it is smaller than it used to be. When I came into the business 30 years ago, you used to be able to go and see what they called boardrooms, street-level offices with a lot of people sitting around watching the ticker tape. Those offices have all disappeared today. I think there really has been a change in the mentality of most investors. That is not to say there is not a certain percentage.

Mr. McKessock: Would that be because a lot of those people might have lost heavily along the way?

Mr. Bunting: It could be attributed to that. It could also, frankly, be attributed to education. People have a better understanding that, to put it bluntly, if you want to beat the stock market, the best way to do it is to invest over time.

Mr. McKessock: You mentioned in response to another question that it would cost you \$50,000 to buy a seat on the stock exchange and you would need \$75,000 worth of capital.

Mr. Bunting: Minimum.

Mr. McKessock: Minimum. Is this capital to cover purchases by your clients before you get their money?

Mr. Bunting: Yes.

Mr. McKessock: What do you use this capital for?

Mr. Bunting: The capital is related to the amount of business you are doing and the amount of risk you are therefore taking, in effect, that you are not going to be paid by clients who are doing business with you. But the regulatory formula is quite complex in that, if you are taking on a liability for the firm, it will be a direct hit against your capital. If you are doing something for a client, it will not become a capital liability until five days, when he would normally be expected to pay, and then it gradually escalates. So the capital formula is actually fairly complex.

A study was recently done by a number of accounting firms that were hired by the industry to look into this whole question of the capital of the Canadian securities industry. They discovered that, if anything, our firms are probably overcapitalized in relation to the risks they are actually taking on, and the record in Canada has really been outstanding in protecting the public. As I said this morning, no public customer in living memory has lost money because one of our TSE member firms got into trouble.

Mr. McKessock: That raises a question. How would he get into trouble? If one of your companies got into trouble, how would that affect me if I had bought shares from him? Would I not still own the shares in the market whether he got into trouble or not?

3:30 p.m.

Mr. Bunting: Unfortunately--and this is more the experience in the United States than in Canada--when people get their backs against the wall, they often start to do things they should not do.

Mr. McKessock: You mean they might sell my shares?

Mr. Bunting: They might sell your shares, and when somebody went to look for them, they might not be there. I am just trying to give you an extreme example.

We try to create a situation in which they do not end up with their backs against the wall without our knowing about it. I would not say that something could not happen overnight that could cause a great problem for us, but I do not think something would happen over any reasonable period of time that we would not have picked up and gone to your broker and said: "You are running down

your capital. We are worried. If you keep doing it at this rate, you are going to be in this kind of situation. Come up with more capital, merge, find a way to get rid of that risk, because we do not want it."

One thing that is happening today, and undoubtedly you have read about it in the papers, is what they call these bought deals. Some of our big dealers today are going in and making multimillion-dollar bids for stock. I heard of a case just last week in which they had to make a bid on a Saturday morning and hold it till Monday morning to be able to lay it off. They thought they could lay it off, but who knows what could have happened if on Sunday a Reagan were shot or whatever? So some big risks are being taken today that were not being taken previously. They do relate primarily to these liability-type trades.

There is a national contingency fund, which is maintained by all the stock exchanges in Canada. It has a basic \$5 million in it, plus \$20 million in insurance; so there is \$25 million sitting there. In addition, whichever regulatory agency has that in its audit jurisdiction is responsible for coming up with the first \$500,000 of loss.

Mr. McKessock: Who is responsible for the first \$500,000?

Mr. Bunting: To give you an example, if something happened in the Toronto Stock Exchange's audit jurisdiction, if we were the people responsible for the broker and if one of our people got into trouble and went bankrupt, the Toronto Stock Exchange as such would be responsible for the first \$500,000 hit, the idea there being to make it well worth our while to stay on top of our job.

Mr. McKessock: When you look at a new company that wants to be listed on the stock exchange, what criteria do you use? Would it be similar to what a bank would use if a person were going in to get a loan, such as how much equity, past performance?

Mr. Bunting: Yes, the same type of criteria. You are looking at the amount of capital it has available, the character of the people and the distribution of the stock, how widely distributed it is. Frankly, if it is too narrowly distributed, a small group of people can cause a stock to go up simply by not trading it themselves. We look into all those things. We look into the options that are available to management to make sure the shareholder is not going to be diluted once the stock is listed and discover that the equity he has bought has been cut in half because of options that were given at lower prices to management. All of those things are looked at.

Mr. McKessock: A few minutes ago you were talking about the western bank that just went under and you mentioned that you might ask them, "What is causing your stock to act the way it is?" Are you saying that its stock was going down on the market?

Mr. Bunting: To be honest, I am not personally aware of a specific situation with either of those banks. We have our computers set and we have measured with computers previously how

much stocks normally go up and down in a day. We set our computers within a band that will pick up whether they are acting unusually.

There are several levels on that band, and when they hit the first band, the surveillance department will go to their files and try to see if there was anything in the paper or any publicly available information that would explain the way the stock is acting. If they cannot explain it that way, they will watch it. If it is staying there and not really doing anything, with perhaps some erratic movement, they may just watch it. If it hits again on the second band, they will phone the company and say, "Is there some reason that has not been given to the public that your stock is acting the way it is?" Sometimes the company will say: "Yes, we are in a very difficult position. We are negotiating to do a merger with somebody," and this sort of thing.

We will say to them: "You have to make up your mind. Either you are going to make that information publicly available, because obviously somebody in the market has that information, or we are going to stop trading in your stock until you are in a position to make that available."

The basic premise we work on is that we do not want people trading with other people who have more information than they do or greater availability. The amount of information you actually have is sometimes a function of how hard you are willing to work simply to get the information. If it is all publicly available. If the person is too lazy to find it, that is one problem, but we want to make sure it is available to be found.

Mr. Chairman: I do not want to restrict your questioning at all, in any way, shape or form, but we have another meeting of this committee starting at five o'clock, and I have quite a good speakers' list going here. Could you be be succinct?

Mr. McKessock: I was wondering about a new company's starting to list on the market. How many shares would it be allowed to put on? Related to that, I go back to the bank in the west that we were just talking about. When it finds it is in financial trouble, can it ask that more shares be put on to the market to get more money?

There are two questions there. One relates to a company starting and one getting into trouble to get more shares.

Mr. Bunting: There really is no limit on the actual number of shares you can trade. You need to have a minimum equity to be in business. You may want to do that in \$10 shares, \$5 shares or 50-cent shares. Where we will be looking at you is on the distribution, to make sure those shares are in enough hands to really make a market. If you have decided on \$10 shares, it might be quite difficult to get the kind of distribution we demand. Distribution is the critical thing.

Mr. McKessock: What do you mean by distribution?

Mr. Bunting: The number of shareholders who are owners

of the shares, so you can have a good market. There is likely to be one person saying "buy" when the other is saying "sell."

Mr. Boast just wanted to bring to my attention that what we are talking about here are shares coming from treasury. There is a prospectus available and the public is fully aware of what the situation is in the company at that point.

Mr. McKessock: If this western bank wanted to try to shore itself up and dumped a whole lot more shares on the market, I guess that would lower the price of the shares.

Mr. Bunting: They could not dump just like that. What would happen, say, they decided to do another distribution of shares because their capital was inadequate--interestingly enough, they did not--is that, first of all, they would have to give full disclosure and a prospectus. The people would have an opportunity to read that, and obviously it would be more likely to do harm than good. If the shares are being sold at a very low price, they would be diluting all the shareholders who bought it at a higher price earlier and whose share of the equity would be on the way down.

They would have their past shareholders screaming at them and they probably would not have buyers for your new shares. That is why I would suggest that would not be a process they would follow.

Mr. McKessock: I noticed that the Macdonald commission's liaison committee was listed among the stock exchange's joint industry committees for 1984. What involvement did you have with that committee, or what involvement might you have had towards the recommendations they eventually came up with?

Mr. Bunting: I think that committee is actually set up and currently nonoperative, but the idea was that when the recommendations came, the security industry would review them. We would be looking for anything that might relate to our industry and would make representations accordingly to any committee considering those recommendations.

3:40 p.m.

Mrs. Marland: I was going to suggest to Mr. Bunting that the next time he is asked about the cost of a seat on the stock exchange, he might say that at \$50,000 it is a bargain because a taxicab licence plate in Metro is \$75,000. It is an interesting comparison to think about.

Mr. McCaffrey: Not to mention a seat in the Legislative Assembly.

Mrs. Marland: For you, Mr. McCaffrey, I was going to suggest a seat in the Senate.

Mr. McCaffrey: Please, no more.

Mrs. Marland: We were told at lunchtime and through some

of the volumes of the material that we have received, the Toronto Stock Exchange is investing a fair amount of money in public relations. I see this very well presented in a graphic little booklet. In here, Mr. Bunting, it says, "Traders themselves must also be qualified and approved by the exchange and actual trading is closely monitored to ensure the rules are followed and the business of brokers who are members of the exchange is regularly reviewed."

When you are talking about being regulators, is a trader the same as a salesperson who is on the other end of a telephone when you phone a broker? This was the question I was starting to ask at lunchtime, but you were not there.

Mr. Bunting: To answer that specific question, the answer is no, but both are regulated. A registered representative working in the office has to go through an approval process related to the specific work he is doing. The traders on the floor have to go through an approval and examination process, including first taking the courses related to what they are doing. Both of them are approved according to regulations and reach professional standards.

Mrs. Marland: So they are qualified. The term "trader" only refers to the person on the floor, and the person I speak to is the salesperson?

Mr. Bunting: In the brochure you are talking about, I think that is what they were talking about.

Mrs. Marland: Yes.

Mr. Bunting: In the terminology of the business, we normally refer to the people working on the floor as the traders.

Mrs. Marland: Okay. Now here is the story. Everybody has a friend who has done something. In my case, I have a friend who opened an account with \$10,000, selected a firm and a salesperson, if that is the term, and signed the form that says, "Whatever you wish to do with that \$10,000 in investments on my behalf, you are free to do it."

I do not know the name or the type of account, but in this particular case, she did not wish to be telephoned because it would not have meant anything to her anyway. She simply said: "Here is \$10,000. I certainly look to your judgement and your experience." You tell me they also have their own regulations for administering that kind of account.

In two years the \$10,000 became worth something like \$5,500. I wondered whether that would be an uncommon situation. Secondly, that really has turned that individual off from investing in the stock market. The reason I am giving you the example is that, as I have already said, I recognize you are spending a lot of money in saying, "The TSE is great and this is what we are here to do, to serve and encourage the public to be investors."

I agree with that and I like that concept, but how do you

deal with this person who said, "Here is my \$10,000; I have confidence and faith, both in your firm and in your ability as an individual, and do not bother calling me."?

Mr. Chairman: Give me the name of this person.

Mr. McKessock: Do you have something you want to sell?

Mr. Bunting: I should first point out that to manage an account like that you have to be a partner or director. It cannot be just a regular registered representative within the firm. They have to be people who have gone beyond that first stage. The reason we ask for that is to make sure they have had time to develop, are obviously fully aware of the rules and have had enough experience so that they can handle an account on what is called a discretionary basis in a reasonable fashion.

As I pointed out, in any shorter time the smartest people sometimes cannot make money for you, even if they are making the best possible moves. If the market has gone down by 50 per cent and they were in it at all, there is a problem. The people in question should not have given the \$10,000 unless it was genuinely discretionary in the first place, and certainly I would say that to people investing in the market.

The money you put into the market should not be something you need to pay your rent before the end of the year, to build a new house or do anything like that. It should be money to which you are looking for the longer term. I would say to that woman: "You have been in for two years. Do you or do you not still feel the man is intelligent and basically honest? If he is, then I would stay with it."

Mrs. Marland: I recall the other aspect of that. She is also paying interest because he ended up buying some of it on margin. I do not know how that happened.

Mr. Bunting: She must have signed because, before you trade in a margin account, the client must sign something saying she wishes to trade on margin.

Mrs. Marland: I am sure she signed it.

Mr. Bunting: In effect, she turned her \$10,000 into \$20,000 in terms of what he was able to invest on her behalf.

Mrs. Marland: With respect to public relations, how do clients turn around? To whom do they talk when that happens?

Mr. Bunting: If she feels there was any impropriety in the way her account was handled, then she should definitely talk to us at the exchange, and we will look at the account from a regulatory point of view to see whether what happened was what reasonably would have been expected in the circumstances or whether there are indications maybe the account was traded more than it should have been or that the person did not act in responsible fashion. We can do that. Certainly, if she would like to be in touch with us, and call me personally or speak to Mr.

Boast, we will make sure it is looked into.

Mrs. Marland: That is where you, as a regulatory body, are interested in individual cases.

Mr. Bunting: Absolutely.

Mrs. Marland: I know she does not consider there was any impropriety, but how can that happen?

Mr. Bunting: That is the nature of stock markets. They go up and down. It is a common saying, but if it were really that easy to beat the stock market in the short term, there would be a lot of rich people around who had done it. The statistics show that when you are involved with a widely distributed portfolio over an extended time, the game can be beaten.

Could I add a comment? Although I do not invest on my own account, I use other advisory people to do it for me. I am entirely personally invested in equities because I do not intend to retire in the immediate future, though I may discover I have been retired. I sincerely believe investment in equity over a period of time is the right answer.

3:50 p.m.

Mr. McClellan: I wonder if you could bring the committee up to date on the establishment of what has been called in the press variously a junior stock exchange or the Canadian venture capital exchange, a second exchange for the Toronto area, which would provide risk venture capital to small entrepreneurs. Can you tell us the present status of this?

Mr. Bunting: I think what you are perhaps referring to is the over-the-counter market in Ontario for junior securities. As you are also aware, a large number of these types of securities trade on the Vancouver Stock Exchange, which frankly decided that its niche as a business was to come in under TSE listing standards.

Mr. McClellan: Just so we are clear what you are talking about, you are talking about companies that are not eligible for listing on the Toronto Stock Exchange.

Mr. Bunting: That is correct. There are some companies trading on the over-the-counter market that either have recently been distributed and not yet been listed or some old preferred issues that are still there after many years, but primarily we are talking about very junior issues.

These have historically traded as dealer-to-dealer markets, where one dealer phones up another on behalf of the client and asks, "Have you any shares in this company?" Various people make a business of what they call "making a market" in particular securities with which they are especially familiar.

There has not been a great deal of information about this over-the-counter market in Ontario. The Investment Dealers' Association of Canada has taken on the responsibility on a weekly

basis of putting out numbers about how much has traded and that sort of thing.

The Ontario Securities Commission asked the Toronto Stock Exchange and a number of other systems people, you might say, whether they could suggest a system that would bring this market into the 20th century. We recommended an over-the-counter system in which bids and offers would be shown electronically. We would design the system, the trades would still take place over the telephone and each night information could be put in about how much trading had taken place during the day, so that every morning that information could be available in the paper. In effect, we asked to be a systems supplier to the Ontario Securities Commission.

The regulation of this market would continue to be done, as it is today, by the Ontario Securities Commission, and we would be a systems supplier. Of the people who made presentations to the Ontario Securities Commission, the Toronto Stock Exchange's presentation was accepted by them, and our role in that market will be that of systems supplier. What will be traded is primarily things that could not be listed on the exchange. The regulator will be the OSC.

Mr. McClellan: What I still do not understand, even with your update, is whether a second exchange is being created, even in the de facto sense. It is referred to as a system, but is it not accurate--or am I missing something?--to say that what is being established is a second exchange to provide a market for the buying and selling of stocks that escape the regulatory purview of the Toronto Stock Exchange?

Mr. Bunting: First of all, they would not have been in our regulatory purview anyway. Secondly, I would not say that an exchange had been created because, as I pointed out, the real function of a stock exchange is to act as a locus where everybody comes together so that when you buy or sell, you have the information about everybody who is there and you can go and buy at the best bidder offer.

In the over-the-counter market, even though you have the bids and offers listed for you electronically, you do not necessarily need to go to the best bidder offer you see, because you may decide that the one that is not quite as good will give you much more size and that sort of thing. Therefore, it becomes a dealer-to-dealer market. It is over the telephone and other people will not know what you are doing; whereas, where we are trading you are all there at the centre. Either electronically or on the floor, the information is being provided minute by minute and we are, by the rules of the exchange, always trading at the best bid or offer.

So there is a difference. I would not say that it was an exchange system, but it is a spectrum and to the degree that you move along it, you move towards an exchange system.

Mr. McClellan: How much further do you need to go before you have a full-fledged exchange?

Mr. Bunting: A long way, I would say.

Mr. McClellan:: You think a long way.

Mr. Bunting:: Yes.

Mr. McClellan:: I take it from what you are saying that you are not particularly apprehensive about the establishment of this new system.

Mr. Bunting:: Assuming that this exchange, or at least this over-the-counter trading system, was very successful, it could really be a competitor to the Vancouver Stock Exchange.

Fifty per cent of all the buying power for equity securities in this country is in this province. At the moment, people are going all the way to the west coast to trade those securities. They could be traded here over the counter, and I would suspect that what you will discover is that the competition is between the Ontario over-the-counter market and the Vancouver Stock Exchange. I would think that if a company does develop on that over-the-counter market, it will want to then become listed on the Toronto Stock Exchange.

It is very interesting to hear the companies come to us and say, "There is a genuine prestige in being listed on the Toronto Stock Exchange, which we would like to achieve."

Mr. McClellan: Is the over-the-counter exchange called the Canadian venture capital exchange?

Mr. Bunting: It is called COATS. I know the acronym, but I do not know the--

Mr. McClellan: Canadian Over-the-counter Automated Trading System.

Mr. Bunting: That is it.

Mr. McClellan: Do you have to become a member of COATS in order to deal?

Mr. Bunting: No. Any dealer who was registered with the commission can trade.

Mr. McClellan: So there is not a membership requirement of any kind?

Mr. Bunting: No, just registration with the commission.

Mr. McCaffrey: I am sorry I was not able to be there earlier today. I have enjoyed the dialogue, but I have just one last comment.

I think you and your colleagues know a little bit about the mandate of this committee and how we function. We will in due course be making a series of recommendations to the assembly and debating those recommendations, hoping thereby to draw it to the attention of the relevant ministries.

What, if anything, would you have us recommend by way of changes with regard to your relationship with the securities commission or anything that is a frustration or a concern that you might have us look at and that we could help you with?

Mr. Bunting: Mr. McCaffrey, there may have been times during my eight years at the exchange that I had ideas on this subject, but at the moment the regulatory atmosphere in this province between the exchange and the securities commission is very good. We have been able to work out accords, because of which I expect some of the problems that arose in the past would not develop in the future. As well, I would not expect those problems to arise with the current administration at the commission. In terms of our relationship to the Ontario Securities Commission, I really do not think we have any requests of the committee.

In terms of the administration of the exchange itself, we have been able to make the changes to upgrade and update the exchange without inhibition; so I do not at this point have a request in that regard either. I have thought about this point, but I do not think there is anything. I appreciate the question.

Mr. Chairman: We thank you very much for showing us your facility this morning and for being here this afternoon. We want to offer you the opportunity, if you subsequently have any other thoughts you would like to transmit to the committee, to do so. Do not get carried with this, please, but we would be happy to entertain that. We will write a report, make some recommendations and send you copies of that. We thank you very much for putting up with us.

The committee adjourned at 4 p.m.

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STANDING COMMITTEE ON PROCEDURAL AFFAIRS AND AGENCIES, BOARDS
AND COMMISSIONS

THE GUILD

WEDNESDAY, SEPTEMBER 11, 1985



STANDING COMMITTEE ON PROCEDURAL AFFAIRS AND AGENCIES,
BOARDS AND COMMISSIONS

CHAIRMAN: Breough, M. J. (Oshawa NDP)
VICE-CHAIRMAN: Mancini, R. (Essex South L)
Bossy, M. L. (Chatham-Kent L)
Marland, M. (Mississauga South PC)
McCaffrey, R. B. (Armourdale PC)
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Morin, G. E., (Carleton East L)
Newman, B. (Windsor-Walkerville L)
Sterling, N. W. (Carleton-Grenville PC)
Treleaven, R. L., (Oxford PC)
Warner, D. W. (Scarborough-Ellesmere NDP)

Clerk: Forsyth, S.

Substitution:

McKessock, R. (Grey L) for Mr. Morin

Staff:

Eichmanis, J., Research Officer, Legislative Research Service

Witnesses:

From the Guild Inn:

Bovey, E. C., Chairman, Board of Management
Mooney, M., General Manager

LEGISLATIVE ASSEMBLY OF ONTARIO

STANDING COMMITTEE ON PROCEDURAL AFFAIRS
AND AGENCIES, BOARDS AND COMMISSIONS

Wednesday, September 11, 1985

The committee met at 2:20 p.m. in room 228.

REVIEW OF OPERATION OF THE GUILD

Mr. Chairman: I call the meeting to order.

Normally what we would do, and we will do it again, is to ask the people who are present to make a couple of opening remarks. The committee had a chance to visit the Guild this morning and to have a bit of a conversation with people who are interested in and working around, and have been for some time, the activities surrounding the Guild.

Basically, we will begin with the opportunity for you to say whatever you would like to say to the committee. You know we are charged with the responsibility to review this and several other agencies. We will do that. We will write a report on what we saw, on what we thought, and the research we gathered. We try to work in a little visit to the facility, if there is one, and to provide a hearing stage, which is what we are doing this afternoon.

So the opportunity is here for you to put on the record for our consideration, and that of anyone else who wants to read Hansard, any matter that concerns the operation of the Guild or the future of it. I will do some research questions which John has dug up for us in his paper research of the operations there. Then the members get an opportunity to kind of chat with you for a while. We usually begin the process by offering you the opportunity to make some opening remarks, however brief or lengthy they would be, and go to it.

Mr. Bovey: Thank you very much. We certainly appreciate the opportunity to have you visit the Guild this morning and then to come here this afternoon and be available to answer any questions or further questions you might have. As you know, accompanying me is Mrs. Mary Mooney, who is the general manager of the Guild.

You saw the property this morning. It is a beautiful piece of property. It is a combination of parkland and a functional country inn type of setting, with facilities for tourists, traffic and seminars, business meetings, etc.

I think one of the very important factors to stress is that the total acreage belongs to the people of Ontario, and it should be for their benefit and enjoyment. Certainly, as the board of management--which was appointed by, I think it was Bill 57 of the Legislature over two years ago--it has been our objective to work towards that end, while at the same time preserving the unique features.

As I said briefly this morning, the film we showed you did give all of us quite a complete cultural review. Certainly the cultural aspect is important and it does enhance that property, but it is not the only aspect of value of that property to the people of Ontario, as I see it as chairman of the board of management.

2:30 p.m.

At the same time we were put in business by Bill 57, we were given the directive to have a study made within the ensuing two years, which would develop the best and proper use of the Guild and the properties adjacent thereto, and the style or type of management that should be put in place. That study has been tabled with the provincial government and Metro council's board of management, which has approved it in principle and come back to us with a directive asking us to look expeditiously into the possibility of developing some kind of arrangement or joint venture with the private sector, which would be interested in spending capital on the Guild Inn in return for some kind of arrangement, profit sharing, a royalty or whatever, over a period of years.

The report to which I referred suggested \$17 million might be spent on the Guild over a period of time. I underline that would be over a period of time. We have approached two or three groups to say, "We are not asking you for a formal proposal now but we want to come to you for the formal request for a formal proposal. What are some of the things we should identify in such a request?" We are at that stage and are having our request for a proposal letter drafted now. We expect to go to eight or nine groups that range all the way from the people in the CN Tower to the Valhalla Inn, and Delta Hotels Ltd., which is managing the place very well for us now, asking them for proposals which hopefully will come in by about October. Then we can go back to Metro and answer their request with some kind of plan or two as to how we might proceed or the whole situation would proceed further.

Metro has extended the life of our management committee for about another year and I am hoping we can develop some plan with the private sector to put it in place and move on from there. It is quite likely a board of management of some type would stay in place. Any such arrangement would have more than one or two requirements. To name two important ones; one would be that the cultural value and aspect of the property be maintained or even enhanced probably out of the revenues from the inn, and second, that public access to the total properties be maintained.

I might just say in closing, and maybe Mary Mooney mentioned this to you this morning and you may have undoubtedly seen it in the numbers you have received, the inn is actually a money-making operation.

It is true that in the first two or three months we took over as a board of management and before we got some professional help, it started to lose a bit of money. The numbers you see would show at the very bottom line a loss position, but that is Metro

accounting and it probably is provincial accounting, too. That is, anything you spend on capital is considered an expense rather than being capitalized. So when you look at the Guild numbers, if you go down to the operating line, you will see that certainly in the last few months it has been making money and in an accumulated area it is doing so--and it should, because the records I looked at when I was asked to consider being chairman went back four or five years and they were making money every year. Admittedly, they maybe did not spend as much on repairs, maintenance and refurbishing as they could have, but that was the way it was.

Those are somewhat rambling remarks but I think that is my opening statement. I wonder if Mrs. Mooney would add anything.

Mrs. Mooney: No, not really. Just to go back to the operating statement that you have in your package, if you are looking at it and you look at the very bottom line, as Mr. Bovey indicated, there is a loss there. But that does include the cultural department, which is not a revenue-producing department but is shown on our operating statement, and it includes as well the moneys we have been spending on capital improvements. That is taken away from any operating profit we may be generating, so the real figure to look at is at the gross operating profit level, which shows that it now has the potential to be a money-making facility.

Mr. Chairman: Just a couple of things to get us started. I wonder whether one or both of you would go over some of the recommendations in the consultants' report. I noted you indicated in your opening remarks that the thrust of it was to do whatever is done with private funds and that it would not be done at government expense. I wonder whether you would elaborate on that for the committee.

Mr. Bovey: First of all, the recommendations in the consultants' report add up over a period of time to a capital cost of \$17 million. A fair amount of that, and an important part, is their recommendation that a wing be added to the east side, which would be in keeping with the present older buildings, so as to add another 90 rooms, Mary?

Mrs. Mooney: It is 60.

Mr. Bovey: Another 60 rooms. That was one of the main recommendations. Then there are other things that need doing, like renewing or expanding the kitchen facilities and other matters such as wiring and so forth.

Metro has come back and said, "That is fine, but would you please go and see whether you can find some private sector people who would be prepared either to spend that kind of money or to spend parts of it?" As I say, we are in the midst of that process now. I might mention that in one of the informal meetings we had with one group, they said--and I thought this was very interesting--that to add the 60 rooms at today's prices would mean that to make them pay you would have to charge deluxe prices.

From what we have seen of the inn and the properties, it is

a very nice, very comfortable place., but it is that middle stratum of clientele rather than the upper limits of people who might go to the Millcroft or some of those other inns. This is true. When you look at the people who are using it, I mentioned to one or two of you this morning that Bell Telephone uses it a great deal, and it may be for its servicemen to have a seminar or its middle management.

Labour unions always used it and have been using it a great deal since we have been involved there. You will get General Motors and IBM, and some of those groups do put a little higher level of executive in.

That was interesting. That is just one comment that ties in with one of the major expenditures.

Mr. Chairman: As it now stands, I take it the board has adopted this consultants' report.

Mr. Bovey: Yes.

Mr. Chairman: It stands referred to a committee of Metro council. Has Metro council endorsed the report? Is there an official sanction on this now?

Mr. Bovey: Yes, it has. It has approved it in principle, and, as I say, it has asked us to explore expeditiously the possibility of private sector participation.

There is one other thing they have asked us to do. We are having a public meeting in October particularly to give the people of Scarborough, or any other interested people, an opportunity to make any further comments or suggestions. They have all been given or have had access to the consultants' report.

2:40 p.m.

Mr. Chairman: Could you clarify a little bit your role as a board? What are the expectations that you had? Do you anticipate you will always be the board of the Guild or that some other committee of Metro council will take on that job? Where do you fit in to all this?

Mr. Bovey: I do not think there will always be a board of management as we have it today. With Metro responsible for the operation of the inn, from the top I think Metro would like to have some intermediary board that would be representative of the community to which the management of the Guild could answer. Those are informal comments I have heard from Metro.

Mr. Chairman: The decision about the future of the board has not been made. There is a kind of interim process where your period is extended, but where you really do not know whether there will be a board to implement this great consultants' report two or three years from now.

Mr. Bovey: Exactly.

Mr. Chairman: In the view of the board, what is the role of the different levels of government? I happen to have been involved because I was municipal critic for some of the legislation that has gone through about this. It seems to me that the Guild, among many other entities, does not really belong to anybody. They kind of hang there. Different levels of government have their fingernails embedded in your rear end, but no one claims responsibility for you. What is the board's view on that? In a technical sense, I guess you are creatures of an act of the provincial Legislature, but you have a landlord called Metropolitan Toronto and you are now taking in roomers from the private sector.

You are responsible or attached to a lot of different levels of government. As you say, Scarborough also has an interest. What does the board see as the role of these different levels of government and would it help if one level of government was your reporting group?

Mr. Bovey: That is a very good question and I think I can answer it quite simply. As we on the board of management see it, we are responsible to Metro, even though a number of us, including myself, have been appointed by the Legislature or the Lieutenant Governor in Council.

Until now we have not really thought of the future funding of the Guild for capital expenditures as being something the province would get involved in because of the way we were set up and the fact Metro was already there managing or being responsible for the operations of the inn.

For five years after the 1978 sale by Mr. Clark, he had an arrangement and was asked to stay on to manage the property, which he did with some help and without incurring any losses. He answered technically to Metro and audited statements, etc., went to the Metro accounting department. We really have not seen any particular problems with other levels of government and have sort of felt the provincial government was very much at arms' length.

Mr. Chairman: The inclination on the part of the board would be to say you are attached to Metro council more than to anybody else. If the province had a role in this, it would be a kind of one-shot deal in purchasing the property, perhaps with some connection with the Ontario Arts Council or cultural groups, but they would be those any other agency would have.

Mr. Bovey: That is certainly the way I personally see it. Some of my board members might be enthused by the provincial government's interest in the property and they may like to see the provincial government supply some of the \$17 million.

Mr. Chairman: Essentially, you are an agency of the province of Ontario, but you do not see yourselves as an agency of the province; you see yourselves more as an agency of Metropolitan Toronto.

Mrs. Mooney: Adding to why we see ourselves as an agency of Metro in so far as the hotel is concerned, all the employees at

the Guild Inn are considered Metro employees and as such are members of the Ontario municipal employees retirement system. Technically, they are not civil servants.

Mr. Chairman: Are they members of the Canadian Union of Public Employees bargaining unit?

Mrs. Mooney: No, they are not. They are members of a bargaining unit, but it is the borough's union. They are Metro employees and they are not, but they are more Metro employees than they are Ontario government employees.

In my dealings managing the property, I become involved with Metro agencies quite often in terms of the Metro auditing and personnel departments. When we do go into labour negotiations, I have access to an individual who helps me with the negotiations. We are under an insurance policy that is under the blanket coverage of Metro Toronto, so there is a very strong relationship there.

Mr. Treleaven: If I may follow up on that last question, there is a management agreement between Delta and the board to operate the hotel on a fee of \$8,000 a month, I think, or whatever. Are you an employee of Delta?

Mrs. Mooney: Yes.

Mr. Treleaven: Are you the only employee of Delta out there?

Mrs. Mooney: Yes.

Mr. Treleaven: The assistant manager is?

Mrs. Mooney: A Guild Inn employee.

Mr. Treleaven: Which means Metro?

Mrs. Mooney: Metro.

Mr. Treleaven: There is a little mixture. You are the manager but they are not really your employees.

Mrs. Mooney: They report to me. I manage the property, and in the organizational chart of the hotel, they all report to me. I am responsible for the operations of that property. They are Metro employees. I am a Delta employee.

Mr. Treleaven: What is the fiscal year-end of the corporation?

Mr. Bovey: December 31.

Mr. Treleaven: It is a calendar year?

Mr. Bovey: A calendar year.

Mr. Treleaven: Who owns the realty? I am a little

confused, whether it is the Metro Toronto and Region Conservation Authority or Metro Toronto or the province. Who actually owns the realty out there, the land and buildings?

Mr. Bovey: As I understand it, sir, the province and Metro each paid \$4.25 million, for a total of \$8.5 million. Subsequently, and this is before my time, the province asked Metro if it would manage the property. Metro said it would be pleased to and then asked the conservation authority to be responsible, and that finally wound up with the parks commissioner having a good deal to say about it.

Mr. Treleaven: But that is the administration or management. Who actually owns the land and the buildings?

Mr. Bovey: If you check it back, and I am sorry I cannot be more helpful, I think you will find the total of the land is again half in the name of the province and half in the name of Metro.

Mr. Treleaven: Is that correct?

Mr. McClellan: It is not clear from the statute; it sounded as though the land was owned by the Metro Toronto and Region Conservation Authority.

Mr. Treleaven: So the conservation authority, if it is the owner of the realty, must have entered into some agreement with Metro. It seems to me you may have three or four agreements down to leases, subleases, head leases, etc., and a management contract at the end so far as the inn is concerned.

Mr. Chairman: Maybe I can help a little from a different light. When the legislation was going through, as it was explained to me that the property itself was deeded to the conservation authority. Metro is the operational agency, so to speak; it runs the joint. Metro, in conjunction with the board, has hired the services of Delta to manage the hotel itself.

Mr. Treleaven: There must be a lease then with the conservation authority or an agreement that amounts to a lease to Metro.

Mr. McKessock: Are we saying the only involvement the Ontario government has is through the conservation authority?

Mr. Chairman: No. There is a law that established the guild board, and the province appoints people to the board.

2:50 p.m.

Mr. Treleaven: If it all fell back, if everybody walked away from the place, it would be basically back in the conservation authority's ownership as ultimate owner, which means the province. Is that correct?

Mr. Bovey: I think that is right. I am sorry I am not more familiar with this. I was at one time, but it is so involved that--

Mr. Treleaven: Okay. This word "profit" always has to be put in quotation marks. When you are calculating that profit and excluding the capital improvements, we are still excluding any interest on the \$8-million original purchase price. Correct? We are not including any of that.

Mrs. Mooney: No, we are not. It is operating profit only.

Mr. Treleaven: Operating profit only; right.

Could I get into a major breakdown of the \$17 million this report speaks about? You mentioned two things, the 60-room wing on the east side and kitchen facilities being upgraded. Are those the two major components of the \$17 million that is being looked at?

Mr. Bovey: Give me a few minutes while I find my place in the report here.

Mrs. Mooney: While Mr. Bovey gets the actuals, I can expand on it. It involves taking the main inn as you saw it today, essentially gutting it and creating a new building within that building. The plans that were proposed keep the ambience and architectural style of the existing building and just modernize it. I used the word "modernize." I guess "update" would be a better word; it will not become a modern building. It will look very similar to the building as it is now, but it will mean a new kitchen.

The physical plant at the back of the house is completely updated in terms of the plumbing, electrical work, air-conditioning, boilers and generators, all of which are in sad need of repair. It would all be repaired. A lot of the money goes to stuff you are not going to see.

Mr. Treleaven: How many dollars are you talking about for that phase?

Mr. Bovey: Let me come in now and give you some numbers. Guild Inn building costs in round numbers: west wing addition, kitchen and meeting rooms, \$500,000; west wing banquet and meeting facilities, another \$500,000; main inn building renovation, \$2.2 million; and east tower renovation, \$1.7 million. A good portion of that has been done.

The north wing addition, the one I referred to, is estimated at \$2.8 million. Then you get into things like furniture, fixtures, etc., and they have the east tower renovation in another part of it up here.

Mr. Chairman: Just to help members of the committee, in your report it is called appendix A; it is near the end of the report. That is where these numbers are coming from.

Mr. Bovey: That adds up to \$12.5 million for the inn itself; then you go on to the next pages, 25, 26 and 27, where there are suggested expenditures on the grounds and ancillary buildings: for example, to renovate the storage building, exhibits, display for museum, etc. The greenhouse would cost \$330,000, including gardens and a new terrace at the rear of the hotel, for example.

Remember that these are not necessarily cast in stone. For example, development of English country sculpture garden, that has to be a matter for some decision down the road.

Mr. Treleaven: Basically, if we could break it down, it looks as if there is \$9 million for new capital realty or buildings and \$3.5 million for furniture, fixtures and equipment. That is all with regard to the commercial phase--no, there is more than that; there is also \$664,000 on the next page, and from there on, it would be more the arts side. Is it fair to say we are looking at about \$13 million on the commercial side and at about \$4 million on the arts side?

Mr. Bovey: That would include the greenhouse and improvements to the gardens, but there are roads and parking in there.

Mr. Treleaven: Yes.

Mr. Bovey: Then there is public day-use facilities, which gets into the park land.

Mr. Chairman: I assume that this is where these proposals from the private sector are going. That is the kind of stuff you are asking the private sector to do.

Mr. Bovey: Exactly.

Mr. Treleaven: Is it contemplated that you can make a profit, operating or otherwise, paying interest on that \$12 million?

Mr. Bovey: One of the groups I have talked to informally has said that, even taking just the suggested new addition of 60 rooms in the north wing into account, there is no way it would pay unless you charged really deluxe prices.

Mr. Treleaven: Can you get into an occupancy rate of 70 per cent or 80 per cent or more with deluxe? I take it you are talking \$80 and \$90 a day single.

Mr. Bovey: Yes.

Mr. Treleaven: Can you get into a 70 per cent or 80 per cent occupancy rate in the Toronto market?

Mr. Bovey: Again, this group pointed out that our clientele does not seem to be in that upper bracket. As you all know, and as I am learning too as a task force chairman in Ottawa, there are certain government regulations and top limits on what you can spend for hotel rooms and so on, and at the inn we meet them very well.

Mr. Treleaven: There was the sale by Mr. Clark, the leaseback. He was manager and so on, and he had certain advantages. He ceased being the manager a year and a half or two years ago. What advantages have been retained by him? You mentioned that he had this free apartment that was three units and that perhaps he has free storage of his art objects. What other continuing advantages does he have?

Mr. Bovey: He has an office and he has the storage of his artefacts, which Mr. Walker and a curator are finishing cataloguing for the Ontario Heritage Foundation. He also has the suite. His privileges to those facilities run out in 1988.

Mrs. Mooney: It was an agreement for free use for 10 years or until his death, whichever came first. He is very healthy; so I expect it will run out in 1988.

Mr. Treleaven: It was to run for 10 years. It supersedes this first five-year leaseback.

Mr. Bovey: It was a complete package.

Mr. Treleaven: Right.

Mr. Bovey: With five years of leaseback running and five years of privilege.

Mr. Treleaven: It was explained to us out there that the real estate was sold among the \$8 million, and that included the building façades that are out standing on pads and so on. What about the loose pieces that are around, the loose piles that have obviously come from buildings? Who owns those? Those are not part of the realty; they are sitting on the land, but they are not part of the land. Who owns those?

Mr. Bovey: They are mixed. Some of them have been accepted by the Ontario Heritage Foundation, I believe, and some belong to the package that the province bought.

Mr. Treleaven: Does Mr. Clark retain the ownership of any of those?

Mr. Bovey: At this point I do not believe so.

3 p.m.

Mr. Warner: At the outset, I wish to thank the Guild Inn and its management staff, who extended very gracious hospitality to us today both in the tour they gave us of the facilities and at the delightful luncheon.

It is important in the committee's deliberations to gain a historical perspective of what is in front of us. Before we take a look at whatever recommendation this committee wants to make regarding the province's continued involvement in the operation of this place, it is important to reflect back to the point where Mr. Clark sold the property to the province.

It is important to know first of all that this is one of a kind in the country. What we saw today is entirely unique in this country, and that which is unique was about to be--

Mr. Chairman: This is going to be a hit record if you just play it one more time.

Mrs. Marland: We have not got to Mississauga.

Mr. Warner: It is important to put it on the record. My constituents expect nothing less.

Mrs. Marland: They certainly will not get anything more.

Mr. Warner: This happens to be in the riding of your colleague the Minister of Transportation and Communications (Mr. Fulton).

However, not only as a Scarborough representative but also as a Scarborough resident for some 30 years, the Guild Inn is an integral part of the history of Scarborough. It was about to be lost. There are no two ways about it. We had developers who were quite prepared to move in and level the place and put in apartment buildings. What transpired, of course, was the retention of the tremendous collection Mr. Clark had put together.

For the purposes of the committee's deliberations, it is very important to separate the hotel operation from the cultural aspect there.

Obviously Delta is attempting to run this place efficiently and to make it turn a profit. That is its job, and that is what it is trying to do. The hotel obviously has great possibilities in terms of conferences and bookings to private individuals, and no doubt that will happen.

I have a couple of concerns; one is with the consultants' report. I hope two things will happen. One, I hope it is not simply preserving what is there; there is an opportunity to enhance. That should be underscored in whatever happens from here. It is not good enough to simply preserve. Surely to goodness, there is not anyone on the committee who wants to destroy what is there.

Mr. Chairman: Can I bump you into the general direction of a question?

Mr. Warner: Yes. I am getting to it, Mr. Chairman; I am building to it.

Mr. Chairman: My heart may not last that long.

Mr. Warner: I know you are about to follow closely what I am unfolding here.

I would like to know whether the board has an inclination to toughen up the report by suggesting that it actively pursue future development of the cultural aspect of the lands, the gardens and so on, rather than simply preserving what is there. Is that an intense interest of the board?

Mr. Bovey: I think I can answer that question very quickly. The answer is yes. We on the board of management have read the consultants' report in slightly stronger terms than we might have described it; that is to say, not only do we preserve the cultural aspect that is there but also enhance it in an orderly and reasonable fashion, we hope in part out of revenues

from the operation of the inn, which makes a very nice and interesting combination and puts a minimal burden on the public purse.

Mr. Warner: Does the board recognize that there is a potential conflict in trying to manage the place in such a way as to turn a reasonable profit from it? Does it recognize that you run a risk of making changes to the building that may not be in keeping with the ambience of the whole setting? Is the board aware of that potential problem? If so, how does the board intend to handle that difficulty in negotiations with whatever private concerns you are now approaching?

Mr. Bovey: I mentioned earlier that we are taking some time and care in developing a letter requesting proposals from interested parties. That letter would include those conditions and safeguards. It would outline somewhat specifically what was expected in respect to the cultural aspect. It would also outline what would be expected in maintaining the ambience, if you will, that is compatible. Above all, it would outline the importance of not turning it into an 18-storey, high-rise hotel. That, as you know, has been a big concern of the residents of Scarborough.

Mr. Warner: Yes. When we went through the previous little episode, the rumours were going around that a McDonald's was going in, and I assume the board is quite sensitive to that. The citizenry were not thrilled with the prospect of a McDonald's going up in that cultural setting.

Mr. Bovey: The suggestion or the perception some time ago was that a beer garden was going to go in. That is not to say that beer gardens and McDonald's are all bad.

Mr. Warner: Right. I want to follow up on something the chairman raised earlier. I wonder whether the board feels it would be appropriate at this stage of its development to sever the connection with the government with respect to appointees and simply to have the municipality of Metropolitan Toronto make the appointments to the board rather than, as it is now, have half the appointees come from the province. In your view, would that be an appropriate development stage?

Mr. Bovey: I do not see any problem with that. We were born out of a situation that, as many of you remember, was to put a hold on what seemed to be happening and to have another look. As I said earlier, our mandate was really for two years, but it has been extended. I do not see any problem there. It is up to the province and how it feels about it, I would think.

This comes back to the somewhat confusing picture of who is on first and who is on second. You probably have a copy of report 20 to the Metropolitan Toronto executive committee, which told us to carry on. In answering your question first, the report says:

"With this in mind, therefore, the board of management reports to you, having adopted the consultant's report, and recommends that...the board of management's mandate be extended for one year to November 30, 1986, to allow for public input, for

implementation of any of the wishes of metropolitan council and for extension of the present lease and operating agreements, and that this council recommend to the 1986 council and to the Lieutenant Governor in Council the reappointment of the present members for a term of one year."

That seems to be what we are doing. I do not believe Metro has heard anything back from the government. When that one year is over, if it goes that long, I do not know what the situation will be. But as I said earlier, from what I understand, Metro would like to have some kind of intermediary board, whether or not it has representation from the province.

3:10 p.m.

Mr. Warner: In conclusion, I hope that whatever this committee decides, it starts from a base of acknowledging that what was done in the past, the action taken by the government, was absolutely critical to preserving what is there; that, second, whatever agreement is struck with either a public body or a private concern, the integrity of what is there be maintained; and that, further, we want to see this cultural entity grow and we want whatever private operation is there on the grounds operating the hotel to be cognizant of that cultural concern.

I cannot stress enough that it is unique and that the people in the area are very proud of it. It is the type of establishment that should be a source of pride right across this country, and we have a responsibility to try to protect that. That is obviously what I will be urging in the committee.

Mr. McKessock: Who managed the property between the time Mr. Clark did and Delta Hotels took over?

Mr. Bovey: The board of management. We started operating January 1, 1984, and it was in December 1983 that Mr. Clark's mandate or responsibility terminated.

We carried on with the person Mr. Clark had designated as general manager. As I mentioned out at the Guild, at the end of about the second month it became apparent that while she was a very fine person, she missed the day-to-day direction she was getting from Mr. Clark. As a volunteer board, we were not in the position to give her that direction; certainly I was not, as chairman of the board. First, I did not know enough about how to run a hotel and second, I did not have the time. We sought professional help, and Mary Mooney came from Delta in May 1984.

Mr. McKessock: I was wondering how such a big loss could be run up in that short time. It goes from a house profit to date of \$146,000 from a loss of \$25,000 in the previous year.

Mr. Bovey: It was that observation on our part that made us realize we had to do something in a hurry. Revenues were falling off because some of the business it had enjoyed was going elsewhere as the place was getting run down. Second, and more important, there was no effective cost control. As I have learned from Mary Mooney and her predecessor, in the inn or hotel business, if business falls off, you have to carry your costs accordingly, and that means people.

Mr. McKessock: I noticed in your budget you made provisions for interest payments but there were not any. Were you thinking you would have to borrow money and did not, or what?

Mrs. Mooney: In 1984, interest was paid on money that was extended to the Guild for operating the hotel. Its business is very seasonal. The first four months of 1984 were very bad months, as you pointed out, and they ran into a negative cash flow situation. They had to have cash advances from Metro just to make the payroll and pay the bills until they got into the summer months when business was very good and on a positive cash flow basis.

In 1984, interest was charged on that money, but it had not been budgeted; so it showed on the statement. When we prepared the 1985 budget, we allowed for interest to be paid on the cash advances in anticipation that, if we had to get a cash advance from Metro and there was interest paid on it, we would have it in our budget.

As it has turned out, we have had cash advances from Metro. However, the standard accounting for Metro allows that when you have an approved budget and whatever your approved bottom line is--ours in 1985 was that we had improved; we were going to cost Metro, if you will, \$314,000. All things considered, the capital improvements and any profit made from operating, the bottom cost to Metro would be \$314,000. They have a provision within their accounting system that we can borrow or get a cash advance up to that level before we pay any interest. We have had some cash advances, but they have not been anywhere near that amount. Consequently, we have not had to pay any interest.

Mr. McKessock: Was the \$300,000 you got from Metro a one-year thing, or are you getting that regularly?

Mrs. Mooney: We are not getting \$300,000. Let me explain. When you prepare your yearly budget for January to December and once you account for all your revenues coming in and the costs you have to pay, you hope you come up with a profit at the bottom. We do expect to have a profit at the end of January.

Then we take away from that the money we are spending on capital improvements. Because that is going to be close to \$325,000, by the time we take away the profit and the net cost, and count in the cultural department, the net cost to Metro will be \$314,000. So they are not making us a payment.

Mr. McKessock: You are covering your losses with capital improvements. Do they approve these capital improvements?

Mrs. Mooney: Yes. That is all part of the budget approval process. Right now, I am in the process of putting together the budget for 1986.

Mr. McKessock: Will there be capital improvements for 1986?

Mrs. Mooney: Yes, I hope so. I am putting together a plan for one. We meet with the budget department at Metro through

the fall and into the spring. The final approval will not be received until the end of April for the 1986 budget.

Mr. McKessock: I noticed under "Cultural Office" you have budgeted for \$35,000 for this year, or to date, and that has been spent. What does that money go for?

Mrs. Mooney: That includes the salary of Mr. Walker, the gentleman you met this morning, one secretarial staff member and any related expenses he may incur with his job. His main function at the moment is to categorize and assemble an inventory of the existing Spencer Clark collection, which was donated to the Ontario Heritage Foundation, as well as Mr. Clark's private collection, which is in the office building around the lane.

He does incur some expenses just coming into town. Any luncheons or cataloguing expenses, administrative expenses, pens, paper and what not all get charged to the cultural fund.

Mr. McKessock: He was the gentleman who was talking to us at this meeting?

Mrs. Mooney: Yes.

Mr. McKessock: Under "Special" you have nil in your budget, but in the previous year there was \$73,000 in there. Do you know what that was, or is that a hole?

Mr. Bovey: That was a termination settlement with the previous manager.

Mr. McKessock: Was that in his contract? Did he have to get that?

Mr. Bovey: No. That was the lady whom I mentioned. Looking at general precedents these days, there is pretty close to a 12-month settlement on wages when you terminate people in the private sector. We got our legal advice on it, and that is what we came up with.

Mr. McKessock: It seems to me she cost you enough without paying her \$73,000.

Mr. Mancini: Better than a lawsuit. If that is what her salary was for a year--

Mr. McKessock: No. That was the termination fee.

Mr. Mancini: But you are saying termination settlements are usually one year's salary.

Mr. Bovey: It was that plus some other adjustments.

Mr. Mancini: What was the salary?

Mr. Bovey: If I recall correctly, it was \$60,000.

Mrs. Mooney: Her actual salary was in the 30s, but there was a program where she was receiving bonuses which brought it closer to \$60,000.

Mr. McKessock: If she was getting a bonus on profits, the bonuses would have been pretty thin.

I come from 100 miles north of here and, as I mentioned earlier, we have a lot of land up there that is similar to the land we walked over today. We do not have the culture and the artefacts, but I think Grey county would probably be willing to donate 100 acres of land to assemble these things.

Mr. Chairman: This is quite an offer, Bill.

Mr. McKessock: Yes.

Mr. Chairman: Hansard is running here. I am not sure Grey county council is going to appreciate this offer.

3:20 p.m.

Mr. McKessock: It is an offer I think I can back up. I was thinking it might save the government a bit of money if it could sell. The property there is worth about the capital expansion this report has come out with, \$17 million. If you sold it for \$17 million, the expansion could take place on free land and it would not cost the government anything.

Mr. Sterling: We can invest that in Minaki.

Mr. McKessock: I would like to invest in something that has some hope of surviving. I want to point out that it could be done without costing the government money. Of course, Toronto would lose the facility; people would have to come to Grey county to see it, but a lot of people like to come to Grey county anyway.

Mr. McCaffrey: I am going to give away my biases and some of my concerns about what we, as a committee, should recommend on this.

I have no problem thinking that in a wealthy jurisdiction in a civilized society, there are things government should do with public money. I mean such things as the art gallery here or art galleries in other communities, or the museum here or museums in other communities in Ontario. In a civilized, wealthy jurisdiction these things ought to be done. Most people in the community would probably go along with that.

However, throughout the exercise of having some responsibility for advising on the spending of public money, we have to look at the other issue, the accountability of these expenditures. Minaki has been mentioned, sometimes in jest, but there is a serious message in that. McMichael also has come up.

I guess we go back to Mr. Warner's point. In some way, you have to look at how unique this is and whether it is irreplaceable and how accessible it will be to all Ontario taxpayers. For my part, I think it is an absolutely beautiful piece of property. There is no question about that.

I find the artefacts and the history of art associated with the place really interesting. However, if we are not careful in

this business, we will end up underwriting something that becomes more a monument to the founder and creator than a facility for use by the general public. In a lot of ways, that is where I see at least a dilemma. If it were not for the art history, the Guild Inn and the money-making aspect of it might not be there. I do not know that for a fact. I think it is a package that makes it unique.

I cannot quarrel with or add anything as to how the \$17 million might be better spent than has been suggested. When all is said and done, I do not know whether we are going to end up with such a unique art collection or such a special residential facility that we could not just turn it all over to the private sector. That is what I do not know.

The government's intervention to date, as Mr. Warner says, has been justified and absolutely correct. If I can stop and leave it in the form of a question, perhaps you would be prepared candidly to give your advice or recommendation to is as a full committee. Beyond that point, I do not where we would be wise to go. I guess I cannot throw anything your way that you two have not thought about. Where would it end and what is the return on the money, which we properly should be thinking about?

Although I have mentioned it myself, I am not at all concerned about the McMichael analogy and certainly not about the Minaki analogy, but I think those things are on our minds.

Mr. Chairman: I have one suggestion; maybe they should have a ramp built into the Guild Inn.

Mr. Bovey: Pardon me? Have a what built?

Mr. Chairman: A ramp. A certain ramp was built at a certain art gallery at a cost of \$500,000. Some of us were confused as to how we could spend \$500,000 building a ramp, but we did.

Interjections.

Mr. McCaffrey: That is right. Funnily enough, we as a group of MLAs are going to have to deal with our own building here at some stage and a lot of the same stuff is going to come to the surface. But you know the dilemma and I cannot add anything to your experience, knowledge and sensitivity. I know about both public money and the expenditure of it, but that is where we are at. What would be wrong with saying that the government has done the right thing to date, but from now on you are all on your own?

Mr. Bovey: May I respond? You have come right to a very good point. My own view of this situation is that we, collectively, should spend money very carefully and only on a gradual basis. The thing I disagree with in the consultant's report is the large amount of money. I do not think we should countenance that.

As we were getting near the point of tabling this report with Metro and the province, we got a very clear signal from Metro that we should not leave it in a position where we simply say,

"Everything will be fine if you spend X millions of dollars." We did recognize in our letter of transmittal that maybe the private sector should be consulted on this. I think you have it in your papers, but to read it into the record once again, in Metro minute number 20, they say:

"The Metropolitan executive committee recommends the adoption of the recommendations of the board of management of the Guild contained in the foregoing communication from the chairman, subject to recommendation 3 being amended to read as follows:

"The board of management in co-operation with the Metropolitan Department of Management Services expeditiously"--the change was the addition of the word "expeditiously"--"explore financial options for the future, including the possible leasing of the hotel portion of the property on a long-term basis with a view to reducing or eliminating future capital costs and also create sufficient revenues to support the art and artefacts activities and to report thereon to the executive committee every six months."

In the preliminary contacts with the private sector, if we go that route, and we hope we can, they are not going to rush off and spend all at once; they will spend on a gradual basis.

The second point is that we have to find a formula where it is for the people of Ontario. The cultural side is great and a number of people who use the inn are not as familiar with some of the culture that is there, but I think they like it when they get there. I do not mean to say this in any critical way, but I think the Bell Canada serviceman, who may not have been exposed to a Cox polar bear, looks at it and says: "Gee, that is sort of nice. It is nice to be out here and looking at it." It does add something, but I do not think we should get carried away. We want to be very careful that this does not become just a museum or a nightclub.

In relation to Mr. McKessock's question, you will be interested in knowing that since 1978 arts and artefacts that Mr. Clark has donated to the Ontario Heritage Foundation and that are now on loan to the Guild Inn, total \$845,815. I had to sign a note saying we understood Metro was insuring them. The foundation will not loan you something unless you cover the insurance.

Mr. McCaffrey: Mary, anything you would like to add?

Mrs. Mooney: No.

3:30 p.m.

Mr. McCaffrey: Thanks, Ed. That is helpful to me.

Picking up on something the chairman mentioned at lunch, Margaret Marland and I had an opportunity with Mr. Forsyth--that is why we were late for lunch--to chat with that lady, the resident sculptor. Can you see a role to get back to using the facility for artists? You have 10 resident artists in a variety of disciplines who might, as part of their mandate, get a reasonable break in the rent but meet with schoolchildren, something like

that. It is a place that obviously lends itself naturally to that kind of thing, and it would seem to me that a permanent community--this is almost like the Toronto Islands debate--might alleviate some of the problems of vandalism and so forth.

Is there any merit to that notion? Is there any way it could be pursued? Mary, is it the kind of thing you would be interested in pursuing?

Mrs. Mooney: That whole issue is addressed very clearly in the consultant's future uses report.

Mr. McCaffrey: It is in there.

Mrs. Mooney: Yes. There are three distinct areas. There is the actual inn, the hotel business of the inn and the food and beverage business of the inn. Then there is the cultural aspect, which includes promoting the activity of artisans and making it accessible to the public, as well as individual artisans working from that property. The third would be developing the surrounding grounds and park land, if you will. Mr. Bovey mentioned the formal sculpture garden. There are those kinds of suggestions; developing the greenhouse almost like a botanical garden and again making it accessible to the public.

Those were the consultant's suggestions on how to combine those three aspects to make everyone happy, but because it is a publicly funded or was a publicly purchased property, let us make it accessible to as many people as we can. At the same time, let us try to finance those activities through the commercial aspect of the inn.

My only concern would be about the combination of those two. How would we do it so that we were still running a facility that would attract the clientele who were going to come back, the business person or the tourist on the weekend, and still combine it with the public access in that facility? They address all those issues in the report.

Mr. Mancini: I have been giving this matter some thought and I have listened very closely to the questions by the other members. I am still not quite sure I understand how you yourselves perceive the inn and what direction you want to go in. I am excluding the Delta chain from this, because it is there as a paid consultant, more or less, and not as the community group appointed by one level of government or another.

Let us forget for a second that it is on the lake and this other stuff. Do you clearly see the inn as a semi-museum? Is that what you see?

Mr. Bovey: No, I would not see it in that role. "Museum" may be a little stronger word than I would use.

Mr. Mancini: I said "semi." Quasi?

Mr. Bovey: Not even quasi. I see it as a beautiful site that has a collection of architectural artefacts and art and some

of the other smaller artefacts that you saw inside. I look at it as a collection of considerable value available for people to enjoy, look at or whatever. But from the point of view of getting yet another museum started, it might develop that way down the road, but I do not see that as the main objective.

Mr. Warner touched on two things. One is that we have to maintain what is there, or that it should be maintained and probably enhanced.

Mr. Mancini: If I lived in Scarborough, I would fight to have it maintained there. The community would certainly fight to keep any building of value or any cultural aspect of the community that is already in place.

Let us leave that aside, because I think what Mr. McKessock said is also valuable. How are we looking at this? If I understand you correctly, you are saying you are there, it looks good, it is in the right place, the community is glad it is there, and they should be glad it is there, and so they are going to preserve it. That is fine. That is where we are at now. I am not a full-time resident of Toronto but now that I have seen the place I would want to spend a weekend there, whether or not there were any artefacts or a single piece of architecture there.

These artefacts are there. I still would want to spend a weekend there, and over the course of that weekend I would hope I had a chance to get more acquainted. The book that has been prepared is very good, the Spencer Clark Collection of Historic Architecture. It is a very good guide for anybody who would want to make a tour of the grounds.

Say you did that once, maybe a year later you would want to do it again. I am not sure you would be as attentive to the historical artefacts if you went back a few months later. That is where my problem of public financing comes in. We want to publicly finance culture and historical artefacts, to make sure these things are viewed. No problem there. But now when we talk about enhancing the hotel portion, making recreational facilities available, which probably every modern-day hotel is striving to get, that is where I believe you are getting off track in your proposal for assistance from the government.

In the fine town of Amherstburg, where I live, we have a very nice historical building, right on the Detroit River, designated by the province and the whole works. There is a small restaurant there that could become an inn. They have every reason and every ability to justify a request of \$10 million to \$17 million--I am excluding the historical and architectural part of this--from the government, as would the Guild Inn. That is the problem I am having with the \$17-million proposal, and I hope that is clear. Do you understand what I am saying, sir?

Mr. Bovey: Absolutely. I said earlier that if I was to continue as chairman of the Board of Management, I would not spend \$17 million. We have taken the direction of saying there is more money that can be spent here, on a gradual basis possibly, and let us see if the private sector would do it.

Keep in mind one thing. You have an operating entity there now--you saw it this morning--and while it can be improved, it is operating soundly. Maybe people want squash courts or whirlpool baths or something. It can be done in a way that really is not costing the people of Ontario any money.

Mr. Mancini: Where I would like to see you spend some money--and maybe it is in your plans--is a better layout of the artefacts. The chairman and I may have mentioned this as we were walking around. There are many things that are set up really nicely, but there is also a lot of stuff on the ground that even if you stood right beside it, you would not know what it was or meant.

If there is public investment to be made, that is where I would like to see it; the historical nature, the artefacts, to ensure we preserve our past.

Am I correct? Did I hear you say you would probably favour somebody like Delta Hotels building a hotel or improving the facility on its own, and then making some kind of leaseback arrangement? Or was that something I was making up myself?

3:40 p.m.

Mr. Bovey: Let me elaborate a little on the general approach we are taking. There are six or seven interested parties, all the way from CN Hotels and CP Hotels down through the Windsor Arms, Valhalla, Delta and so on. We say: "Here is the consultant's report. Here is the board of management's recommendations to Metro and the province. You have to be sensitive to the cultural items already there and sensitive to the ambience there. Go away and come back with a proposal as to how you would take over operating the unit, committing yourself to spending a certain amount of money on an annual basis. What would your priorities be and how would you spend it?"

Mr. Mancini: With a long-term lease or something like that.

Mr. Bovey: Yes; five or 10 years.

Mr. Mancini: That is not very long if a hotel is going to invest several millions of dollars.

Mr. Bovey: No, it is not.

Mr. Mancini: They probably would be looking at a longer lease. As long as you people still have control of the artefacts; that is what I am concerned about. As long as the board of management could veto anything that would destroy--

Mr. Bovey: That would be one of the conditions.

Mr. Mancini: Thank you very much. That is all.

Mr. McClellan: I am still confused. I guess there are a couple of "Who's on first?" questions. The property, the land and

the building, excluding most of the artwork, are owned by the conservation authority. It is leased from them by Metro.

Mr. Bovey: You have information on hand that answers that.

Mr. McClellan: Okay. The staff work for Metropolitan Toronto. Am I right?

Mrs. Mooney: They are Guild Inn employees. They work for the Guild Inn. They are considered to be Metro employees in so far as the pension plan is concerned.

Interjection: Just for the pension plan.

Mrs. Mooney: They are not paid on the same scale as a Metro employee, for instance.

Mr. McClellan: They are not attached to any particular department of Metro.

Mrs. Mooney: No, they are Guild Inn employees. I may have led the committee astray on that.

Mr. McClellan: Do you report to anybody at Metro?

Mrs. Mooney: I report to the board of management.

Mr. McClellan: Does the board of management report to any department at Metro? You report to the chairman.

Mr. Bovey: At this point, we report to the chairman.

Mr. McClellan: To the chairman directly.

Do you know offhand why ownership was left with the conservation authority? It seems to me it would have made more sense to have eliminated at least one of the players in the game.

Mr. Bovey: I am sorry. I have to plead--

Mr. Chairman: The conservation authorities have said for a long time that land adjacent to, in this case, Lake Ontario, ought to be in public ownership and ought to be in the hands of the conservation authority. It goes back to the original mandate of conservation authorities. They were responsible for preserving land that was threatened, in this case land adjacent to the Scarborough Bluffs.

Mr. McClellan: They insist on maintaining title as part of their mandate.

Mr. Chairman: Yes.

Mr. McClellan: I am a little confused about the management board's attitude towards the redevelopment proposal. On the one hand, I thought there had been an indication you accepted it at least in principle, but I heard you say in response to Mr.

McCaffrey that you did not think it would be advisable to spend money of that magnitude.

The reason I am confused is that those proposals are pretty categorical. They say it cannot be a park, it has to be commercially viable, and it can be commercially viable only if there is a major upgrading. They say a simple upgrading will not make it commercially viable. They do not leave a lot of room on the one hand or on the other hand. They say: "There is only one option: massive redevelopment. Here is the price tag: \$17 million. If you do not do that, it is not commercially viable." That is what I read here. But you seem to be indicating that you do not think the massive capitalization they are talking about is such a good idea.

Mr. Bovey: Keep in mind that in any situation you get a consultant's report, and the consultant's report is not necessarily the blueprint for future action; it may generate some general ideas. That is why I was stressing earlier that we now want practical operators to look at it and come back with a recommendation. If they do not come back with recommendations of spending \$17 million, if they recommend spending only \$1 million, I do not think we are going to be upset if it is a practical plan.

Let me read to you what we said to the Metro people:

"That the board of management be requested, in co-operation with the metropolitan department of management services, to explore financial options for the future, including the possible leasing of the hotel portion of the property on a long-term basis, with a view to reducing or eliminating future capital costs"--those are future capital costs to Metro or the province--"and also create funds to support the art and artefacts activities."

Mr. McClellan: That is helpful.

Mr. Bovey: I admit it is a little confusing.

Mr. McClellan: The idea is a little weird that you could take what is essentially a hotel owned by one public corporation but run by another public corporation indirectly through a special-purpose board, with the province still in the background and having some strings attached, go on to the capital market with that kind of structure and say, "Give us \$17 million; we have a real honey of a deal for you here."

Mr. Bovey: It sounds like it, but I do not think the response you are going to get back from the private sector is going to--

Mr. McClellan: They are not going to break the door down to get in on this deal.

Mr. Bovey: No; not at \$17 million.

Mr. McClellan: How realistic is it to talk about capitalizing a redevelopment of this kind as long as the facility

is in the public domain? Do you think a long-term lease arrangement is feasible?

Mr. Bovey: It is quite possible. We have had informal indications of considerable interest. As I said earlier, keep in mind that even as the inn operation exists today, it is viable. Mind you, we have spent about \$500,000, which Metro put up, but it is viable. There are more things you can do.

Mr. Mancini: It is viable as long as you do not have to pay the interest on the \$8.5 million.

Mr. Bovey: That is right. The interest has not been paid on the \$8.5 million for 10 years.

Mr. Chairman: The reason the members have responded to that point is we have seen a number of these deals and we are intrigued with how easy it is, when you are backed by the province of Ontario, to turn a profit. There are no capital costs, you do not pay back loans, there is no interest charge and there is no principal. It is not hard to make money.

Mr. Bovey: I quite agree. I understand completely.

Mrs. Marland: This morning we visited with Elizabeth Morrison, is it?

Mrs. Mooney: Elizabeth Fraser-Williamson.

Mrs. Marland: Does Elizabeth pay rent?

Mrs. Mooney: Yes, she does.

Mrs. Marland: To whom?

Mrs. Mooney: It comes over to the Guild.

Mrs. Marland: When you say "to the Guild," what do you mean?

Mrs. Mooney: She pays minimal rent that comes into the Guild and is applied to the cultural department. I report the cultural department on a separate reporting sheet apart from the operating statement; so her rent is applied to that statement.

3:50 p.m.

Mrs. Marland: What else is on that statement? What other things can you give me as examples that are on that statement?

Mrs. Mooney: There would be the salaries of Hugh Walker, the person you met today, and his secretarial staff, and any expenses he incurred to do his job.

Mr. McKessock: You have that cultural office, but are the expenses or receipts taken off, like this lady's?

Mrs. Mooney: Yes.

Mr. McKessock: This is a total expense?

Mrs. Marland: Who is her landlord, technically?

Mr. Bovey: The Guild Inn.

Mrs. Mooney: Her original agreement was made with Spencer Clark.

Mrs. Marland: Okay. Who is responsible for maintenance and repairs to the building in which she has her studio? Actually, it is not her studio. I guess her studio is in the log cabin. However, we saw she had her shop in her home. Who is responsible for maintenance to that home?

Mr. Bovey: We are. These are things we inherited.

Mrs. Marland: There is no question about that. I know you did. I just feel that she seems to be in a position where she is struggling somewhat with some general maintenance matters. Her roof collapsed and her furnace is a problem. She is living in a place for which she is paying rent--I have no idea what it is--but her home is not winterized; it is virtually a summer cottage. She is obviously an asset to the Guild. She is listed as an attraction, yet in return for her being there, there does not seem to be support for her building.

Mr. Bovey: That is a reasonable observation. As I say, some of these things were in place when we came into the picture. We have tried to maintain the status quo during these two years and before a final plan is developed. A decision has to be reached at some time, as someone mentioned, as to whether the operation would expand the resident artist policy or terminate it.

For example, Sorel Etrog, whom you heard about this morning, has been in to see me three times wanting originally to have Corycliff Cottage. He is prepared to spend some money to make it into a studio for his sculptures. While we would consider having him out there and appreciate him as one of our great current Canadian sculptors, I think some place other than Corycliff would be more advisable.

These things are up in the air because of the mandate we have for the two years.

Mrs. Marland: I respect that mandate, Mr. Bovey. I respect what you came into. The building between the log cabin and Elizabeth's cottage that we saw this morning is very dilapidated. Apparently there are animals living underneath it because of its condition. The building on the other side of her cottage apparently is where Michael comes and goes from.

Even without the Guild investing any money at all, would you consider--and this is really following up further to--now who was it? Actually, it was our chairman who mentioned at lunch that there are a number of artisans out in the hills. I do not know where the hills are out there, but--

Mr. Chairman: Near the township.

Mrs. Marland: Certainly; north of Highway 401.

Mr. Chairman: The new international airport.

Mrs. Marland: North of Oshawa. I wonder whether it has ever been considered pursuing whether there are individuals who would be interested in and capable of moving into those houses, doing their own renovations and developing their own artisans' colony--not just sculptors in particular, because you have a very talented sculptress there now, but the other areas of craft as well--which I would suggest would become far more attractive to guests in the hotel.

As Elizabeth said this morning, people walk around there and come to her house. They are very interested and become involved with her exhibit. Then they come out and expect to go down the road, wondering: "Where is the next one?" But there is nothing else there. It did seem to me to be a waste of space.

I can see that with the study and the long-term plan, that is the Utopia; but in the short term is there not something else, and does it have to be so grandiose? You have seen barns out in the country that have become beautiful artisans' colonies because these people are talented and have far more imagination about what to do with old buildings than any of the rest of us who do not have those talents and skills.

I could see it as very attractive when you are looking for entertainment for these people who have just come out of their seminar movie. Because they do not have the health club facilities and the squash courts that you were talking about at lunchtime, it might be very nice for them to have that walk through where we were, to have something interesting to see and, furthermore, perhaps something interesting to purchase to take home.

Mrs. Mooney: I agree with you. Again, from my standpoint in managing the hotel part of it, I would love to have that further attraction.

You are right. Elizabeth is an attraction to the property. As part of marketing it as a meeting, conference and resort centre, we mention the fact that the artefacts are around the grounds, that we have two artists in residence and that they are available to groups and what not. If we could expand on that, it would be a plus in marketing the hotel and for the existing guests.

Mr. Bovey referred to the fact, and it is very real, that the past two years have been an interim period. The board was created and appointed to make a decision or recommendations to Metro on the long-term future of the building. In the meantime, that aspect has not been expanded; it has been barely maintained, as you pointed out. Money we have received from Metro has gone into refurbishing the inn and getting it back to a standard at which we could go out to the public and say, "Come and stay at the Guild." It was not at that standard when the board took it over. It is a very good point you make.

Mr. Bovey: You make a very good point. The diminution of that aspect of the operation was going on long before we came into it. In recent years, finally you got down to only two or three resident artists.

What we as the board of management were trying to do was to stabilize a situation that was becoming a real liability. As Mary said, one of the first things we had to do was to get the accommodation back to some kind of standard. The sheets had become like cheesecloth; people were putting their feet through the sheets on the beds. We have had to work very hard to do that.

4 p.m.

Mrs. Marland: Mr. Bovey, I understand that, and I respect it very much. Obviously you are not going to get out into the woods and into those buildings and that part when you are trying to make something viable from an income point of view. You could not have done it any other way. All I am saying is that I think that would be an excellent consideration even if the other major plan is not implemented.

Does Scarborough, like Mississauga, have a visual arts community organization? In Mississauga we have a visual arts council. If Scarborough has something like that, would it not be interesting to ask it how it might use that road with the existing properties and with some funding? We in Mississauga have appropriated \$1 per capita for the arts, which was a phenomenal step forward of which our council was particularly proud. We now have \$360,000 a year.

Mr. Bovey: Yes, I know. You have done a wonderful job.

Mrs. Marland: Yes, we are very proud of it, but that covers visual and performing arts. I think Scarborough should be approached to see whether it would help artisans on a selected basis to develop a colony that covers a cross-section of crafts and abilities.

Mr. Bovey: Good idea.

Mrs. Marland: It could be complete and apart from the inn itself, and it could be self-sustaining. It would be a further attraction to the use of that property. I would see it as being very well used and very well supported not only by the visitors to the inn but also by the community itself.

Mr. Bovey: That is a very good idea.

Mrs. Marland: I would like to see you write to the city and ask it, with copies to all your MPPs, city councillors and aldermen.

Mr. Chairman: Any suggestions about letterhead or anything like that?

Mrs. Marland: I know how it works, Mr. Chairman. Maybe you have been down at Queen's Park too long.

Mr. Chairman: And she will not charge you a consulting fee for this either. It is free.

Mr. Bovey: You make me a little nervous. I am smiling, but I should not be, because it was sad. Scarborough last year mounted an arts festival. We helped by making space available and so on, but when it was over, they came to the board of management and asked us whether we would help them pick up a \$150,000 loss they had for the year.

Mrs. Marland: The city did?

Mr. Bovey: Yes.

Mrs. Marland: The city asked you to do that?

Mr. Bovey: Whether we would share in it.

Mrs. Marland: You had better elect some new aldermen.

Mr. Bovey: They said, "It was not in our budget."

Mr. McKessock: They had it on the same--

Mr. Bovey: No. They had it all over Scarborough; but we made space available to them for some aspects of the program. They used the Greek theatre and one or two other things.

Mrs. Mooney: That is a different festival from the one we spoke about at lunchtime, where we had some art in the park, a thing we had this past summer. That was put on by Arts Scarborough, which is an artists' association; it is not a government agency. We made the space of the Guild Inn available to them, and they contacted artists and crafts people to come in and display their works.

Mr. McKessock: How could they run up a loss like that? Did they pay these artists too much?

Mrs. Mooney: They are two different ones. The one this summer was a very small local arts fair, almost. The other one was the previous summer, 1984.

Mr. Bovey: I do not know. We were not involved in it.

Mrs. Mooney: It must have been 1983.

Mr. Bossy: I want to get this whole picture straight in my mind, because I have found some difficulty. With Spencer Clark, I think I heard the figure of about 100 artists whom he hired or who were on the scene on that property. We are down to one who lives there and another who comes along once in a while.

We are also down to collecting architectural artefacts, but the artefacts that are currently there--correct me if I am not straight on this--Mr. Clark has donated to the Ontario Heritage Foundation. Thus, these artefacts are owned by the government in one way or another, and they are currently sitting on that property, which has been sold and converted many times.

I also understand the property, as it is immediately adjoining the Guild, had a polo field out in the front. There are some things of the heritage foundation there, whether it was started or was strictly Spencer Clark who enjoyed polo or whatever it was. Then that has been converted.

All the conversations we have had today have brought to me that the property has changed very much. Now we find that in 1977 it was sold by Mr. Clark and leased back to him for five more years under his management with the condition that if it lost money, he would pick up the losses.

I can readily see that this would not be that bad a deal for Mr. Clark with the tax system as it is today, because with that amount of money--and I do not begrudge the man his money by any means--but it is one way, and the donation of the artefacts to the Ontario Heritage Foundation would be another way, to derive tax concessions from the losses he incurred, and would possibly lend just by having that built in within his five years of management.

That is why the deterioration of the Guild property and buildings has occurred. It did not matter very much to him at the time, because he was phasing out. He retains three rooms for another year or two, and that was in his contract.

I would love to see the actual deal that was struck and written out, with him receiving \$8 million, knowing the property was worth \$12 million and the reasons for this. He was not preserving much art, because there was only one resident left of the 100 he started with. The artefacts that are there are an accumulation of pieces that are being picked up by the board or by someone who is now helping to try to put these things together out of Toronto, from buildings that are being destroyed or torn down. This is why I find it so difficult to attach the artefacts.

Then we hear even Mr. Warner speak of this uniqueness. I have found many beautiful properties, unique in themselves. This one is unique in itself for Scarborough, but it is not dissimilar to other properties that exist in the province.

I have to agree with comments that were made about justifying our making a decision that the government should put in further money, which I understand is approximately \$4 million or better of the \$8 million that the province put in. It is actually owned by the Metropolitan Toronto and Region Conservation Authority; that is the attachment that brings it to the provincial government. That is the only area I can see, unless I see the documents and how it is written up, for the preservation of the more than \$4 million of taxpayers' money that has been given here for its use until the end of time with no interest.

It is a donation that was made. It was made not so many years ago now, and here we are looking at another \$17 million that is proposed to be spent, very likely because of joint preservation, I call it, of the Guild and properties, which is the conservation area for which we have responsibility. I would have a very hard time agreeing with anyone to put more money into it, because we are saying here that to come up with a financial statement that reads in the black, you need capitalization--in other words, interest-free moneys.

4:10 p.m.

This is where my dilemma is. Forgive me. I am making a statement, and you can probably appreciate what I am wrestling with. The announcements of all these big-money expenditures by government hit home very much now, more than they ever did, but they sure are hitting home, whether it is the domed stadium or any of these different things, Deerhurst or God knows what we have seen. They talk about Minaki, but there are an awful lot of others that are in the system.

This is where I am going to have an awful time explaining to the people back home why we should spend public money, taxpayers' money, to improve the Guild, to preserve a heritage, these artefacts that are readily available to be moved. They have not been accumulated over so many years, Mr. Spencer Clark not having been an artist himself.

Really, the property does not own any artefacts; they are on loan from the Ontario Heritage Foundation. The total in dollars, I believe you mentioned, was about \$30,000 or so. Maybe I misunderstood.

Mrs. Mooney: That we own?

Mr. Bossy: That you actually own on the property.

Mrs. Mooney: As I understand it, in the original purchase agreement the artefacts that were included were the pieces of sculpture that are outside on the grounds. Those inside the property in the display cases and some of the sculptures inside were donated by Spencer Clark to the Ontario Heritage Foundation; they are on loan to the Guild to remain there on display. So we do own some pieces.

Mr. Bovey quoted a figure of pretty close to \$900,000 worth of artefacts that are on loan from the Ontario Heritage Foundation.

Mr. Bovey: May I pick up, Mr. Chairman?

Mr. Chairman: Yes, you may.

Mr. Bovey: You mentioned the agreement. The agreement is in the public record somewhere. I have seen it; I may have a copy somewhere. But the original agreement is in the public domain and you can get it.

Second, the board of management has not acquired anything in the two years. Everything you saw out there was acquired by Mr. Clark before the birth of the board of management.

With regard to the architectural items you see--the columns, etc.; and I am contradicting myself a little bit from what I said earlier--on thinking it over, they do belong to the inn; they came as part of the package. Some of them are not erected and are just on the lawn or in the grass because that is the way they were when we got there. Mr. Clark had a number of things constructed or put back up; the others were just sitting there as they are.

Finally, the board of management, which was set up by the province by legislation, is not recommending that the government spend money. We are recommending that the private sector be approached to see what can be worked out, much as the consultant's plan recommended. I am with you as a private citizen. I would not want to see \$17.5 million of government money of any kind go in there.

Frankly, one of the things that got me interested in this project as an individual when I was asked to look into it--apart from the fact, as someone said this morning, that there is an incipient danger of its becoming another McMichael Canadian Collection problem--was the uniqueness of the situation in which you have the opportunity to be self-sustaining, short of the interest, which has long since not been paid. There is the uniqueness that the place can pretty well look after itself. It needed a little shot of capital money to get us back up to speed on conditions.

Mr. Bossy: I do not begrudge the moneys we spent to preserve what is there, but to spend further money to try to preserve what is there again and then find that maybe another 10 years from now we will have to spend more money to preserve what is there--

Mr. Warner: Who suggested that there be a further allocation of public money? It was not me; it was not these folks.

Mr. Bossy: I know.

Mr. Warner: Where did this notion flow from?

Mr. Bossy: I am a suspicious man--

Mr. Chairman: You may be suspicious, but I think Mr. Warner is right on this. There is no request for the province to fund anything here.

Mr. Warner: This seems to have permeated through the committee this afternoon, and I do not know where it came from. It is not in the report and it did not come from the witness.

Mr. Chairman: As Mr. Bossy says, some members are suspicious.

Mr. Bossy: I am a suspicious guy when a consultant says they should spend \$17 million, knowing the private people will not invest that kind of money without some public support. We have seen Deerhurst. We see these things. That is supposed to be privately run but, by golly, they come back to government for money, and that is what I am saying.

Metro Toronto is public money. It is taxpayers' money.

Mr. Warner: Yes.

Mr. Bossy: So what is the difference, really?

Mr. Warner: They are not--well, I do not know.

Mr. Bossy: If they are raising their funds privately, yes.

Mr. Chairman: This is an interesting argument, but it does not have very much to do with what the committee is supposed to be set up to do.

Mr. Warner: No. You are not rereading the report. Prefer to read the lines rather than between the lines.

Mr. Bossy: Preservation of this property is what we would like to see, but also recognizing that there is very little there. The artefacts are the ones that I started on, and that sort of troubled me in the way it was--

Mr. Chairman: We know you are troubled and suspicious.

Mr. Sterling: I am sorry, I was not able to get out to the Guild Inn and see the grounds; I would have liked to have gone there.

I am looking at your profit-and-loss statement to the seventh month of this year, and it shows a net loss of about \$200,000 to date. What is your projected loss for the year?

Mrs. Mooney: It is \$314,000.

Mr. Bovey: Excuse me. That is on the basis of accounting, though, that you would never use in the private sector.

Mr. Sterling: I know. It would be a much bigger loss if there were a decline--

Mr. Bovey: No, it is the other way around. The \$300,000 of capital expenditures would be capitalized.

Mr. Sterling: Yes, but you would be depreciating as well.

Mr. Bovey: Oh, yes.

Mr. Sterling: No depreciation is shown on this balance sheet.

Mr. Bovey: But there are repairs and maintenance.

Mr. Sterling: I know there are repairs and maintenance as well. You come to \$340,000 when you add your capital plus your repairs and maintenance.

I do not know whether you could sever the operation of the Guild Inn from the notion of the grounds being a place where the citizens of Ontario would go because it was a special place for artists and that kind of thing. I do not know whether outside this financial statement money is injected into their pockets or is helping them to run the cottage or whatever. I do not know whether that is all included here, or whether the Ministry of Citizenship and Culture is adding something to it.

The bottom line for me is, should we, in effect, rip down that hotel at some stage and say, "If it is not a viable commercial operation, then let us do away with it and concentrate on the other part of it"? I am not interested in having a hotel there. I do not think the government of Ontario should be in the hotel business. That is a philosophical thing I have, because it is hard to rationalize why that is in the interests of the people of Ontario, in my opinion.

I look at your financial statement and I do not know how good that building is. Is it going to depreciate rapidly in the next five or 10 years?

Mrs. Mooney: You mean if it is left as is and if no major or substantial improvements are made to it? As is, and if no upkeep is done on it, it will deteriorate very rapidly. When I say "no upkeep," up to a year and a half ago a period of three or four years was allowed to go by during which very little upkeep was done on the building, and in that period it deteriorated very rapidly. The main inn is 70 years old, and then there are subsequent wings. The newest part of the building is 23 years old, so without some major renovations and upgrading it will deteriorate.

4:20 p.m.

Mr. Sterling: You have \$380,000, which you have spent to date on repairs and capital, and that is against \$200,000. I am looking at it as a taxpayer. You have \$180,000 that you would be able to afford to put into it at this time without its costing me, the taxpayer, any money.

Mrs. Mooney: Right.

Mr. Sterling: Do you project that the profits from the hotel operation will reach a state at which you can keep the building up to scratch?

Mrs. Mooney: Yes.

Mr. Bovey: It is not an unfair question, with respect, but it is not an appropriate one, because we are not here making a case for anything. We were asked by the provincial government to get a report. The consultant's report is in, and the board of management has said that in principle it agrees with it. Then we have to go on and work out some kind of feasible plan that is going to cost a minimal amount of money to the public purse.

Those who take on the job of the ongoing management on some kind of basis will be the people who will decide that yes, down the road they will generate enough revenue so that proper depreciation can be deducted, etc. But right now we are not in that position and we are waiting to hear from somebody. It could be that nobody is interested and that the suggestion you made might be the applicable one. We do not know that yet.

Mr. Sterling: I guess when you look at any structure that is basically run by them, there is not much sense in this

committee looking at it if it does not look at what the thrust behind the objective of the institutions it is looking at might be. Therefore, you must be predicting a higher occupancy rate next year in order to make up that difference. Is that how it is going to be made up?

Mrs. Mooney: Yes. I am judging a higher occupancy, a growth of occupancy this year over last and next year over this, on the basis of the improved product that we now have because of the capital improvements.

Mr. Sterling: In other words, the public money. When will there be a stop to the losses, the \$314,000?

Mr. Bovey: As I say, we are not in a position to answer that question at this point.

Mr. Sterling: Why not?

Mr. Bovey: Because we are waiting to--

Mr. Sterling: But you could project on the basis of the revenue flows that are now going to be there. I am not attacking anybody. I am just trying to determine--

Mr. Bovey: If you define "losses," the inn is not losing money right now. I understand government expenditures, but when I as a businessman spend \$300,000 at the Guild Inn for new sheets, new chairs and new rugs, if I were running that as a private operation, that money would be capitalized. You are right; you would depreciate it, that kind of thing, at about 30 per cent per year. But right now the inn is not losing money in the traditional sense of a profit-and-loss statement.

To answer your question, it is not losing money now and we do not expect it will lose money next year. But the final resolution of all this is so dependent on how we go from, say, January 1 or the middle of next year and with someone who will come in and spend some of the money that we are now getting from Metro.

Mr. Sterling: I can only compare it to Minaki Lodge, which we as a committee investigated in the past month. Even though it is a government institution, it is showing a depreciation of \$1.5 million. If we took that \$1.5 million out of there, it would be showing a very healthy profit at this time. Therefore, when I look at this balance sheet, you are getting it both ways. You are saying, "Do not count the capital, but do not put any depreciation in, either."

Mr. Bovey: Is that depreciation, though, actually being spent or is it a provision?

Mr. Sterling: It is not being spent. It is increasing their cash flow.

Mr. Bovey: Yes, okay. In this case what you are terming depreciation in our books is not depreciation. This is all capital.

In addition to this amount of money, if you look up further you will see repairs and maintenance. We are going to spend about \$200,000 on repairs and maintenance this year. That is more depreciation in the sense that you are talking about. Remember, we are a much smaller operation than Minaki Lodge. We are spending \$200,000 on what you would call normal depreciation and \$300,000 for replacements.

Mr. Sterling: They are doing \$200,000 on repairs and maintenance as well, in addition to the \$1.5 million they are marking as depreciation on their sheet. What I am saying is that a fair depreciation value on here would be your estimate during the next 10 years of keeping repairs on that building up to snuff. I do not know what that figure is and I worry a little bit about having a sheet that seems to show there is no loss when you are not looking at the long-term problems of that building, because that is really the basis of it. That should be balanced against what that facility is providing for the--

Mr. Bovey: That is very true. I agree.

Mr. Chairman: We thank you very much for being with us this afternoon and for your gracious hospitality and all the information you gave us today.

I want to extend to you the same offer we give to everybody else. You know that we will be preparing a report. If you have any further information you think we ought to have before we finalize it, we will be pleased to receive it from you. If we think of some wonderful thing we forgot to ask, we will take the liberty of asking you.

Mr. Bovey: Thank you very much, Mr. Chairman. I am sorry we could not answer all of the questions, but we tried.

Mr. Chairman: That is the idea.

The committee adjourned at 4:28 p.m.

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STANDING COMMITTEE ON PROCEDURAL AFFAIRS AND AGENCIES, BOARDS
AND COMMISSIONS

ONTARIO HUMAN RIGHTS COMMISSION

THURSDAY, SEPTEMBER 12, 1985



STANDING COMMITTEE ON PROCEDURAL AFFAIRS AND AGENCIES,
BOARDS AND COMMISSIONS

CHAIRMAN: Breaugh, M. J. (Oshawa NDP)
VICE-CHAIRMAN: Mancini, R. (Essex South L)
Bossy, M. L. (Chatham-Kent L)
Marland, M. (Mississauga South PC)
McCaffrey, R. B. (Armourdale PC)
McClellan, R. A. (Bellwoods NDP)
Morin, G. E., (Carleton East L)
Newman, B. (Windsor-Walkerville L)
Sterling, N. W. (Carleton-Grenville PC)
Treleaven, R. L., (Oxford PC)
Warner, D. W. (Scarborough-Ellesmere NDP)

Clerk: Forsyth, S.

Substitution:

McKessock, R. (Grey L) for Mr. Morin

Staff:

Eichmanis, J., Research Officer, Legislative Research Service

Witnesses:

From the Ad Hoc Committee for Wei Fu's Complaint:

Bhaggiyadatta, K. S., Labour Council of Metropolitan Toronto
Li, R., Member; former Executive Director, Chinese Canadian
National Council

Ng, W., Co-ordinator

Roach, C., Counsel to Wei Fu

Seeviour, C. A., Vice-President, Ontario Federation of Labour

Stein, I. P., Community Development Worker

LEGISLATIVE ASSEMBLY OF ONTARIO

STANDING COMMITTEE ON PROCEDURAL AFFAIRS AND
AGENCIES, BOARDS AND COMMISSIONS

Thursday, September 12, 1985

The committee met at 10:07 a.m. in room 228.

ONTARIO HUMAN RIGHTS COMMISSION
(continued)

Mr. Chairman: We have a quorum. We are going to proceed with the deputation of the ad hoc committee on Wei Fu's complaint. Winnie Ng is one of the witnesses and there are others.

While you are getting settled, I want to run over the ground rules for the morning. The committee has agreed to hear from this group. We are dealing with an agency, and they have had some experiences with that agency. I want to put the caution on the record that we are not entitled, empowered, or prepared to listen to any of the specifics of the case.

When the chair smells we are heading in that general direction, I am going to caution people. If members of the committee or witnesses before the committee begin to discuss the specifics of that complaint, other than the process--which is what the committee is prepared to hear this morning--I have to caution you. The term we use is sub judice. That means it is under appeal before another body. Under the rules of the House, we are not allowed to proceed with anything that might appear to infringe on another court or another quasi-judicial body hearing the matter.

To caution you once again, if people start to get into discussions about specifics of the case, I will have to stop the proceedings. We do not have the jurisdiction to hear the complaint of Wei Fu or anything related to that or its appeal. We will be happy to hear you for about 40 minutes this morning on the process and whether you think the Ontario Human Rights Commission is fulfilling its mandate and providing access, due process, whatever.

There is one other thing I would like to do before we begin this morning. For the purposes of Hansard, would you please identify yourself as you speak and if you have a title or position you would like to get on the record, say it at that time so that Hansard can record who you are. They will come around for correct spelling of names, etc.

AD HOC COMMITTEE ON WEI FU'S COMPLAINT

Ms. Ng: On behalf of the Ad Hoc Committee on Wei Fu's Complaint, I would like to thank you for giving us this opportunity to present our viewpoint as well as our recommendations. We will focus strictly on the rules of the process. However, at times we will draw on the direct experience of Wei Fu's case as an indicator.

I would like to introduce the members on the panel and some committee members. On my right is Charles Roach, who is Wei Fu's counsel. On my left is Carrol Anne Seeviour, vice-president of the Ontario Federation of Labour as well as chairperson of the human rights committee of the OFL. Then we have Kris Sri Bhaggiyadatta, former staff member of the Labour Council of Metropolitan Toronto human rights committee, and Rose Li, former executive director of the Chinese Canadian National Council For Equality. Both of them are committee members as well.

The submission we are presenting today covers the background of the ad hoc committee. We will be discussing the conduct of the Ontario Human Rights Commission, covering the investigative techniques, the appointment of the board of inquiry and the procedures and operations of the board of inquiry. We will not get into the rulings and other parts. For each section we will present the highlights and go to the recommendations.

The ad hoc committee was formed in October 1983 through the initiative of the Chinese Canadian National Council in response to the racial harassment of Wei Fu and fellow minority workers by his supervisor. Wei Fu works in the Ontario Government Protective Service, OGPS, which is a branch of the Ontario Provincial Police.

Forty organizations from the labour movement and the community have joined the ad hoc committee. While we are determined to see justice done and be seen to be done in Wei Fu's complaint, we also got together because of our grave concern about the practice of the Ontario Human Rights Commission in carrying out its function as stipulated in section 29 of the Ontario Human Rights Code.

Since Wei Fu filed his complaint in May 1983, the conduct of the OHRC has become a major issue in itself. Many current and former complainants have come forward to share with us their frustrating experiences with the OHRC.

On the conduct of the commission, the first section we have drawn up is on investigative techniques. That is the process leading to the dismissal of the case.

Throughout the investigations, we have found repeated incidences of the human rights commission exhibiting hostility towards the complainants, unusual delays, bias, irregularities in the procedures, and a general abdication of its responsibilities. For instance, there was a denial of Wei Fu's request to present his witnesses at a fact-finding conference, and the respondent's witness was allowed to speak.

For some of the details of this, Rose will pick it up.

Ms. Li: I am one of the first people in the Chinese community who got involved in Wei Fu's case. Based on my first-hand experience, I would like to present my concerns to this committee. I am afraid that usually the complainants are not informed of their rights in the procedure. There is no brochure nor any person in the commission to inform complainants about their rights.

Another concern we have is that usually the complainant is given very short notice before a meeting. I went to two fact-finding conferences held by the commission and I found that some of the officials of the OHRC conducting the conferences show biases. There are no safeguards to prevent such biased conduct.

Also, during fact-finding conferences the facts are not presented to complainants, even though the complainant requested their disclosure. Instead, the commission officials would press the complainant to accept terms offered by management in order to bring the case to a close as soon as possible. These drawbacks are so blatant the Chinese Canadian National Council immediately wrote a letter to the OHRC expressing its concern.

To sum it up, we are concerned about the role of the OHRC as an impartial arbitrator in cases involving racial discrimination.

Ms. Ng: The other key area Rose has pointed out is unequal access to information. In the course of the investigations, for example, copies of Wei Fu's complaint and supporting documents were turned over to the respondents. However, when Wei Fu and his counsel requested the respondents' reply and investigation reports, they were repeatedly denied. We have heard that specific changes have come forward. However, as far as we understand, the disclosure of information still depends to a great extent on the discretion of the OHRC staff or the chairman of the board of inquiry.

The other key point is investigative techniques. It is our observation that racism is difficult to prove and if the OHRC informs the respondent after a complaint is filed, the respondent has ample time to brief the workers. The respondent thus could easily tamper with their testimony. For instance, one of Wei Fu's colleagues reversed his testimony after a promotion.

We think it is very important that more vigorous undercover type of investigation be carried out. We favour the proactive approach used in research projects for the recent study "Who gets the job?" done by the Metro Social Planning Council and Urban Alliance. They used professional actors and actresses to get into the work place and then reviewed the study afterwards.

For this whole section, our recommendations are:

1. The OHRC should broaden the procedural rights of the complainants during the investigation, perhaps by incorporating the procedural protections given to the parties under the Statutory Powers Procedure Act.

2. The complainant's procedural rights should be publicized in the form of a brochure to be distributed to all persons making a complaint, preferably in the language they understand best.

3. There should not be any unreasonable delay in the investigation and reporting process. There shall be specific limitations on the time for reporting upon the completion of the investigation and for the appointment of a board of inquiry.

4. There should be sufficient resources and personnel for the OHRC to carry out its mandate efficiently and effectively.

5. Each party should have the right to full disclosure of documents and other relevant information. A statutory requirement should be made on the disclosure of information to the complainant rather than leaving it to the discretion of the chairman of the board of inquiry or the OHRC staff.

6. When circumstantial evidence is necessary in the investigation of human rights complaints, more proactive investigative techniques should be used.

Carrol Anne will take over on the section dealing with the appointment of the board of inquiry.

10:20 a.m.

Ms. Seeviour: Under this section, we are dealing with the conciliation process and the pressure that is brought to bear on individuals to accept conciliation instead of going forward to boards of inquiry.

In Wei Fu's case, for instance, the commission originally decided not to have a board of inquiry because it found no evidence of racial discrimination. However, it was agreed with Wei Fu's employer that they would run human rights seminars. This does not always--in fact, very rarely does it--correct any problem in the work place dealing with racism. The employer quite often will agree to put on this type of seminar just to get off the hook.

Education is very important, but it should not be used to circumvent justice. Wei Fu felt a board of inquiry would address not only his problem, but also those that other visible minorities were facing with this particular supervisor, and he was not willing to accept conciliation.

In 1983-84, 1,237 complaints were received by the human rights commission. Only 33 went before boards of inquiry. Such boards are very important to look at a work place and root out definite, institutionalized racial practices. It is important these be eliminated. An education process is important, but it does not solve all the problems.

Another thing to be realized here, as I know from my dealings through the labour movement, is, why does an individual need to have 40 groups supporting him to receive some kind of justice? There is no doubt it was because of the pressure brought to bear by the support network Wei Fu had, and also because of the three government parties' support, that a board of inquiry was held. He was also fortunate his union picked up the cost. This should not have to happen, that such powers and pressure from the community and political parties have to be brought to bear for an individual to have justice, because a regular person just going before the board can be totally intimidated by the whole process and withdraw. It simply is not just.

Recommendations we are making here are: that conciliation,

fully agreed on by all parties, be negotiated by a body independent of the investigators of the case; that more emphasis be placed on the inquiry procedure and more severe fines and other disciplinary measures be handed out to offenders; that the Ontario Human Rights Commission make public the objective criteria for the appointment of boards of inquiry; that the complainant should be allowed the right to go before the commission after an appeal has been turned down.

Ms. Ng: Section C is on the operations of the board of inquiry.

Mr. Yadatta: Mr. Roach consistently pointed out during the trial that the Ontario Racing Commission has a permanent courtroom, so horses have their day in court, but people pursuing human rights in this province do not. This was something that was quite blatant in the process of the board of inquiry. First, it was held in Downsview. When it was pointed out this had occurred in another jurisdiction, there was much hassle to get it back there.

Once that was agreed to, we found the board of inquiry kept being postponed. There was nothing that made it start at a certain point and finish right away. Instead, it would go and on. What we found out is, given that we were up against the resources of the Ontario government in this case and the Ontario Provincial Police as well, the moment we brought forward testimony, they would immediately ask for a delay and then go and pick up all kinds of dirt and come back and lay it on the board. We were up against enormous resources of the OPP in this case.

It was very blatant, not just in taking away the momentum of what we were trying to do, but also in the intimidation of witnesses, which was very obvious during the whole procedure of the board of inquiry. It was quite blatant to us, but obviously it was not blatant to others. For example, in Wei Fu's case, one witness reversed his testimony after promotion. One supporting witness was threatened with transfer after he agreed to give new evidence. There was harassment of an employee after she attended a public meeting on the case.

These incidences of reprisals suffered by complainants and witnesses in other human rights cases are not uncommon. If witnesses and the complainant cannot be given adequate protection, it is a mockery for them to go to the human rights commission at all, because what that does is it leaves them open to harassment. That is what happened in Wei Fu's case and that is what continues even now. That is something quite serious which has to be looked at and we have made deputations to all levels of government on it.

When it comes down to the legalese involved, Wei Fu was lucky he had some money and that the Ontario Public Service Employees Union decided to take up his case. We were lucky because, as I said before, the Ontario Provincial Police had unlimited resources. We basically had to skimp on certain things and make sure we had enough for the other aspects of the case.

What I should do is read the recommendations we have made.

1. That a permanent board with permanent facilities be established to adjudicate on human rights complaints.

I should add that, once opened, it should continue daily until its resolution. That is really important.

2. That the members of any one board of inquiry be increased.

Right now, it is a one-man board of inquiry. It should be increased to three members to promote a wider perspective that takes into account the labour movement and the community as well. Right now, with respect to what has been said before, management and business get to see what the complaint is and you are basically victim to that. There is no equal disclosure.

3. That costs be allowed to complainants for independent legal counsel unless it is determined that their complaint is fictitious and vexatious.

4. That settlement decisions on cases should be made available to the public.

5. That the OHRC should investigate the nature and extent of reprisals suffered by complainants and witnesses in human rights cases--I think this is quite widespread--and that the code be strengthened to ensure effective enforceable protection for complainants and any other parties associated with the case.

6. That the OHRC be changed to an independent body appointed by and responsible to the provincial Legislature.

7. That the OHRC give evidence to and provide leadership in the fight against systemic and institutional racism; that there should be legislated changes to enforce remedies for systemic racism.

Ms. Ng: In conclusion, we would just like to say the ad hoc committee has never questioned the legitimate role of the OHRC in the protection of human rights in this province. On the contrary, it is precisely because of the importance of the OHRC's role and, in particular, its impartiality that we got together in the first place. Right now, the OHRC's image in the community is that it seems to function as a public relations agency for the Ontario government. That is not the role the community would like to see the commission continue.

Last Wednesday, when the commission had its representative here, Wei Fu's case was alluded to as the media's darling, which, in a sense, also reflects the attitude of George Brown, the executive director of the human rights commission, towards the whole case. To us, Wei Fu's complaint is more than just an individual case. It is symbolic of the course the community is taking. There are a lot of Wei Fuses hidden in the community. We want to use this case to demonstrate the OHRC's loopholes and how the community can organize itself to make changes. That is the importance of it.

Sadly, through our direct experience on Wei Fu's case, we

have found the OHRC is a very sick bureaucracy which requires much internal medicine to restore the health, credibility and confidence worthy of its name. Therefore, our final recommendation to the Ontario government is that it conduct a public review of the Human Rights Code and the commission.

10:30 a.m.

Mr. Chairman: Just before we open it up for questions from the committee, Mr. Mancini called me at 10 o'clock and he apologizes. He did want to be here but he had to receive a delegation on behalf of the government so he is somewhat delayed.

We have a little more than 20 minutes left for questions, so the only caution I am going to put on the committee members other than the ones already there is that we have 20 minutes. Let us divide it up fairly equally.

Ms. Ng: Before we go into it, could I introduce a couple of members?

Mr. Chairman: Yes.

Ms. Ng: We have Wei Fu with us today, and Mr. John Persaud, also a member of our committee who also has a case in front of the human rights commission.

Mr. McClellan: I will try to be brief. I thank the delegation for coming forward and sharing its concerns and its recommendations with us. I know Mr. Mancini feels the same way.

We are limited in this committee by our terms of reference. We are instructed by the Legislature to review agencies, boards and commissions from a relatively narrow perspective. Some of us have sufficient concerns about the Wei Fu case as well as the backlog that has developed within the human rights commission. It is probably worse than it was in the late 1970s when so much concern was expressed that the commission was so overworked, understaffed and basically inadequate for the task that it was incapable of enforcing the code.

Statistical evidence indicates they have slipped back to that position. I am sure there will be a referral along the lines of your final recommendation that there be a public review of the code and the commission.

Based on conversations and statements by Mr. Mancini, the feelings of my own colleagues in the New Democratic Party are that there will be a referral of the human rights commission to one of the committees of the Legislature for a specific review. I wanted to ask you whether you thought that would be satisfactory, in terms of your final recommendation.

There are several ways we can go in trying to have that public review take place. One would be for the government to commission somebody to undertake an independent review. Another would be for one of the committees of the Legislature to undertake that review itself, to hold public hearings and permit all those

who have a concern about the code and the commission and its procedures and practices to come forward and testify.

The committee would then produce a report based on its findings and submit it to the Legislature. I know there is interest in going that route, both on the part of the government and on the part of my colleagues. I wanted to know whether that would meet the sense of your final recommendation.

Ms. Ng: The main purpose of the referral for a public review should be to generate a lot of discussion in the community whereby the public can make deputations and where there is a full educational process so that people know of the existence of the commission and how they can make use of it.

However, I also want to point out that we are anxious to see the referral take place as soon as possible. I do not think the commission warrants any further delay and the review is very much needed.

Mr. McClellan: We are all sort of in handcuffs as the litigation is before the Divisional Court. Mr. Roach, maybe you can give us a sense of what the timing is going to be on Mr. Wei Fu's appeal from the decision of the board to the Supreme Court.

Mr. Roach: It appears as though it would not be resolved until the spring, unless we make an application for an expedited hearing and that is granted.

Mr. McClellan: You have not decided yet whether to do that?

Mr. Roach: It looks as though we are going to do that.

Mr. McClellan: In which case, what is the most optimistic?

Mr. Roach: We need to have a very good reason why we should be jumped ahead of the queue. Our reason would be the issue in that case is of such great importance. However, the issue in that case has nothing to do with the manner in which the OHRC operates or with any of its procedures; it has really to do with matters that do not concern Wei Fu.

Mrs. Marland: I would like to ask a question so I know where I am going with my next question. Could you advise me what the mandate of this procedural affairs committee is with respect to the Ontario Human Rights Commission which appeared before us?

Mr. Chairman: In a nutshell, it is to see that the commission does the job it was set up to do.

Mrs. Marland: That is what I understood also. When Mr. McClellan talks about the possibility of referring the review of the human rights commission to a committee of the Legislature--I think that is what you said; was it not?

Mr. McClellan: Yes.

Mr. Chairman: Yes, that would be done by means of reporting to the House. The House would actually refer it to a committee.

Mr. McClellan: Last year Mr. Mancini had a petition to refer the Human Rights Code and the human rights commission to a committee for hearings. I do not have the exact terms of reference. The election intervened before that happened. He had expressed an interest in relation to the Wei Fu issue in reactivating that referral. That is something I think would be very helpful.

I suppose the procedural affairs committee could possibly do this, but it would mean abandoning the rest of the work of the committee, I would think, for a fairly long period of time. A referral to a standing committee has the advantage that the petition itself can establish the precise terms of reference.

Mrs. Marland: Thank you for that history, I did not know of Mr. Mancini's resolution last year. I see this committee has an opportunity before it now because we are actually dealing with the Ontario Human Rights Commission and these are public meetings, so I guess I am not clearly understanding what it is we are not doing that the deputation before us is asking.

I clearly understand they are asking for a public review of the code, and that is something we are not doing, but I think we are holding public meetings for all these agencies, boards and commissions before us. I would suggest the reason the deputation is here this morning is only further emphasis that this committee is a public body with public hearings.

I would like to ask you about the final statement in your conclusion because I find it a very major statement which I have difficulty leaving on the record. To say that the OHRC is a very sick bureaucracy has to be about the most damaging and negative statement that could be made. When the commission was established, I must say I felt, not as a politician but as a resident of Ontario, this province was being very progressive.

10:40 a.m.

Why would you leave a statement such as that on the record? From what I have heard about the problems the Ontario Human Rights Commission is having, from its presentation to us and what I have read, I would think that for a relatively young commission it has had an uphill battle. Some of you were present when they were here and you heard them say they do have difficulties. I particularly remember Dr. Ubale from the race relations division explaining the problem he was having. I also remember the other gentleman, whose name I do not recall, who supplemented Dr. Ubale's concerns.

Would you not agree that commission members themselves recognize that all is not sweetness, light and perfection for them? They have acknowledged to this committee that they have difficulties, not the least of which is funding. So I would wonder why you would make such a degrading statement about a public body which, itself, acknowledge that it is not able to achieve its own mandate.

Ms. Ng: Please understand that this deputation has no malicious intent. That statement was not made in a malicious way; it was made as a concern of community representatives and labour people who have been involved in the case with a direct experience. As I reiterated earlier, we are concerned. We think the commission has a major role to play in this province to ensure the protection of the human rights of all minorities.

However, we are concerned that we see the OHRC is not achieving it. The public perception of the OHRC is very different from what its staff or internal management may want to see or what you, as a politician, might want to defend. This is the reason for this deputation. It is to tell you people that we have these concerns and to ask that we work together to make changes.

Mrs. Marland: I appreciate your response. For the record's sake, I would say I do not automatically step in to defend this commission or, indeed, any other. I think I make myself very clear on that. So when you say you might like to defend them, I might like not to defend them; I might like to criticize them. But if I do that, it would be in a constructive way.

Ms. Ng: That statement is not made lightly. We have had two and a half years of involvement in this case. Many complainants have contacted us and others: the Ontario Federation of Labour and the Metro Labour Council, the Chinese Canadian National Council and different ethnic community groups. They have stated their procedural frustrations and voiced complaints about the OHRC. Maybe there are a lot of success stories that show this is not so, but this is the public perception.

Mrs. Marland: That is the next question, because you are saying the OHRC's health, credibility and confidence must be restored.

Ms. Ng: Yes.

Mrs. Marland: Are you saying the commission does not do anything that is successful or worthwhile?

Ms. Ng: Yes.

Mr. Roach: There are two separate functions of the commission. One is proceeding very well, and that is the area of race relations. That has burgeoned into a major area of work and I would say that seems to be successful. We even have budgets to hire people in the community and so forth. But I believe this statement that it is a very sick bureaucracy is the perception of those who have to deal with the case investigations on the complaint side. So there is the public relations side, which is doing very well as far as I can see, but there is also the hard business of investigating complaints.

As a person who has been involved for about 23 years in dealing with the commission, I have to say this is the perception held by most of the clients I see. They see it as not working. The reason is that it is not being funded. It is famished. The cases

are languishing; they are not investigated and so forth. While Dr. Ubale's section is flying high, we find that many of the complaints are grounded because there is not enough staff to investigate claims.

Mr. Marland: It is interesting to hear you say Dr. Ubale's section is flying high. He certainly did not say that.

Mr. Roach: I know his feeling.

Mrs. Marland: He said he was very short of funding and could not do the job he wanted to do, as I heard him.

Mr. Bhaggiyadatta: I think the Ontario Human Rights Commission is progressive in the protection of the human rights of business. I think it sees itself clearly protecting that, as opposed to protecting working people in this province.

We have been exposed to many cases, and its whole purpose to us is to drag things out, to make sure it does not surface in any critical function at all. That has been our experience. I think (inaudible) has been quite nice.

Mrs. Marland: What was your last statement?

Mr. Bhaggiyadatta: I said I think we were being quite fair in our criticism of the human rights commission, considering what we have had to go through.

Ms. Ng: I have one last point to add. Last week, at their presentation, either Canon Purcell or Dr. Ubale also pointed out the importance of and the need for a systemic unit. We could have human rights complaints investigations on case after case, and that is not going to resolve the institutionalized racism that is rampant in this province. That is another key issue, that the OHRC could place more priority on funding resources in that unit. That would get to the root of the problem. It is important that we have education, advocacy and compliance, but there is a whole other area, dealing with the systemic.

Mrs. Marland: I have one final question, then. I know you are looking at the clock, Mr. Chairman.

If you had unlimited funding, could you tell me how you would go about dealing with the institutionalized racism to which you just referred?

Ms. Ng: I do not think that is a question I will answer.

Mr. Roach: When you say--

Mrs. Marland: You cannot ask for money without ideas about how it should be used.

Ms. Ng: Oh, yes.

Mr. Roach: However, specifically in relation to how one would go about dealing with this institutionalized or crushingly

systemic racism, a very good example was brought up here this morning, of the study entitled, Who Gets the Work? It has been scientifically proved there is widespread discrimination in employment.

We have that study by Frances Henry, and it is just lying there. No action has been taken to remedy that situation, and if the Ontario Human Rights Commission had resources, it could do some more studies. This is what is meant. They should be doing more investigative work, initiating more complaints or, in the expression used here, taking proactive measures. This is one area in which, if it had more funding, it could clean up.

What is the point in procuring these studies that show discrimination exists in 200 major corporations and just leaving the information there and taking no action?

Mrs. Marland: Why would you want more studies?

Mr. Roach: I am not saying more studies, but action on the study initiated by the human rights commission. We do not need more studies; we need action.

Mrs. Marland: You just said a minute ago, "more studies." I understand. Thank you.

Mr. McCaffrey: First, my apologies to the witnesses for being a bit late. I have a question about recommendation 4, that settlement decisions on cases should be made available to the public. I am really surprised they have not been, and I judge they have never been.

Can you tell me why that is the case? It is self-evident to me why they should be public, but I am curious why they have not been to date.

Ms. Ng: If cases have been resolved either before a board of inquiry or through conciliation, we are saying it is the result, with respect to what kind of settlement, that is not disclosed.

10:50 a.m.

Mr. McCaffrey: Not to overdo this, but would I be right that one of the things this would accomplish is the broader public education process? It would at least speak to that, would it not? I see no negatives and I see several positives. It would make sense to me.

Recommendation 6 is about the change to an independent body appointed by and responsible to the provincial Legislature. This was discussed briefly last week when Canon Borden Purcell, Dr. Ubale and some others were in. In Quebec, that is the practice. My sense was that no one that day had a problem with that. I may be wrong. Why do you make that recommendation? I sense that it is one the committee could run with, but why would you like to see that recommendation in place?

Ms. Ng: We feel that since the Human Rights Code and the commission are important to all the people in Ontario, the commission could be run as a separate entity under the Ministry of Labour or other ministries. I think Dr. Ubale also mentioned the need for a separate race relations advocacy unit as well, and that is very significant. When we look at this province promoting the rights of women, we have the women's directorate, the women's bureau under the Ministry of Labour and then we have the Ontario Status of Women Council which is fully funded by women. When it comes to race relations, there is nothing.

Mr. McCaffrey: That is a good point. The recommendations are all very sound. I just wanted to get a bit of background on those two in particular.

My last point would just be an observation. That there should be a public review of the Human Rights Code and the commission at this stage makes eminent good sense to me. The only thing--and we will have a chance in the committee to talk about this--that I think is going to be essential is that it be done by an all-party committee as opposed to an independent commission. I think Mr. McClellan in his subsequent follow-up to that shares that view. Thank you very much for your time, and I apologize for being late.

Mr. Chairman: Seeing no further questioners and having hit pretty close to the time the committee had allocated for this, I want to thank you for appearing today. In particular, I want to thank you for the help you gave the chair in everybody staying well away from the matters that might be considered sub judice. We appreciate your submission this morning. We thank you very much for taking the time to appear before the committee.

Ms. Ng: May I make one last comment? This deputation has been mainly on the process. In the future, when there is a whole review, we will be looking much more on how the code could be strengthened. We would also like to circulate a letter that the ad hoc committee sent to Canon Purcell on April 5, 1984. That was a letter to follow up the whole delegation's meeting with Canon Purcell and George Brown. I think some of the comments Mr. Brown made are quite enlightening and quite shocking to our committee, so I would like to share them with you.

Mr. Chairman: Very good. If you give that to the clerk of the committee, we will circulate it. Thank you very much.

IRENE PAPARO STEIN

Mr. Chairman: The next witness before the committee this morning is Irene Paparo Stein. The committee suggested that we might hear from this witness for about 20 minutes. I know she has been waiting patiently at the back of the room.

I guess we are ready. Just proceed.

Ms. Stein: Mr. Chairman, ladies and gentlemen, I am happy to be here today. I have been a community worker for more than 15 years, working with a multi-ethnic community long before

it was fashionable to do so. I have worked with many groups on numerous issues; for example, health, environment, landlord-tenant, urban renewal and self-help. I have worked with native people, visible minority groups and people from diverse ethnic backgrounds.

Some of the areas covered were racial problems, battered wives, crisis intervention, workers' compensation, immigration, unemployment and discrimination in housing, to name a few. I was also chairman of the Ontario Freedom of Information Citizens' Committee. I ran a community school for more than three years for the York Board of Education, and I liaised with the multi-ethnic community and institutions to handle problems in education, recreation, social and family. I also worked with young people in helping them find employment.

Throughout all of these years, I had much exposure to the dynamics of race relations. I also worked with the immigrant women's centre.

Because of my interests in both race relations and working with minority groups, I am currently working as a project manager of a youth employment program which helps to place disadvantaged youth of all colours, races and religions, single parents and the chronically unemployed.

We bolster this program with both life skills and race relations workshops. These types of programs are run under the race relations division. I refer to the Human Rights Code (1981), subsections 28(f), (g) and (h), in particular 28(h) which states, "To promote, assist and encourage public, municipal or private agencies, organizations, groups or persons to engage in programs to alleviate tensions and conflicts based upon identification by a prohibited ground of discrimination."

Due to the time spent initially in the community and currently in the race relations division, I have had the opportunity to obtain a first-hand overview of the mechanisms of the race relations division and its effects on the public.

If you study the Human Rights Code and legislation, I have given you a copy of the one section of race relations, you will notice that the mandates of the two divisions under human rights are in direct conflict, particularly the enforcement and compliance.

We have to point out that the public is confused about this. My staff is confused, I am confused and the community at large is confused about the whole thing. Even some of the people speaking here are not comprehending that human rights consists of two sections, race relations and enforcement and compliance.

They are constantly being confused. We get callers on the phone who speak to the two people who work with me saying, "Are you the one we complain to?" They constantly need redirection. I have to say that out in the community, long before I came to race relations--I am not a civil servant--I was confused explaining the

roles of the two divisions under the Human Rights Code. It is nobody's fault; that is the way it was structured.

It is very difficult explaining to people in a community--some of them may have limited resources and some are more sophisticated--that if you have this kind of complaint you go to enforcement; if you have that kind you go to race relations. They just do not understand it and it has to be clarified.

What I am saying is that the function of the race relations commission is to promote understanding and acceptance of the act; to inquire into, examine and review conditions that may cause racial tension; to investigate problems, devise and implement programs to reduce these problems; and to promote and encourage the public and private sector, governments, institutions and communities to participate in these activities and programs to help alleviate tension and conflict.

The role of the race relations division is one of advocacy: to liaise with the community, governments and other institutions, from both public and private sector; and to mediate and educate. That is the role, nothing else.

The role of the compliance and conciliation division, if you study the legislation, is more difficult. It is stressful. It is a very difficult job. It is one of investigation and enforcement. It is regulatory in nature. By the very fact it is regulatory, everybody is frightened of it right away because that is the nature of it. If one observes the two distinctly different functions of these two bodies, it should come as no surprise that the two bodies are in direct conflict of each other.

Not only is there a blatant philosophical conflict, but in practice the two bodies become blurred and diffused and appear to be working together when in fact it is not true. The public at large, and in particular the very communities that race relations staff are trying to reach in a positive, educational type of way, view this race relations division as part of the human rights enforcement division. It is incorrect, but that is the way it is.

This incorrect perception is carried through to both the ethnic and mainstream press, thus perpetuating and ensuring the negative public opinion every time the human rights enforcement makes an unpopular decision. I am not criticizing those decisions because it does not matter which side you are on; somebody likes it and someone does not. It is very difficult to be in enforcement and compliance.

11 a.m.

We see examples such as the Wei Fu case. I will not remark on the decision made by human rights enforcement about merits or demerits. I can only point out, as Dr. Ubale noted here last week, that the Chinese community will not dialogue with race relations as a result. These kinds of things happen all the time, and the Wei Fu case is just one.

You will find that if, say, business people call us, they

have two different ethnic groups in a business and they call upon race relations and say, "Okay, we want you to come over and defuse this problem in our work place." But if a race relations officer attends there, they say: "Oh, they are from enforcement. What the hell do they care about us?" Right away they take a negative approach to you, and this hampers you in gaining their trust and confidence, which is necessary in our type of work. This type of work is conciliatory, but it is calm, it is nonthreatening and it is a positive approach to good race relations. It is too bad that it sets up a barrier there.

They see the two divisions as being intertwined, and no amount of persuasion will change their minds. This type of situation happens frequently, as I said, and it prevents race relations, to a degree, from doing an effective job.

The enforcement and compliance division has an extremely difficult, unenviable front-line position by the very nature of its job, and I cannot say that strongly enough. They are overworked, they are overburdened. They have tons of cases, people pouring in, histories of this and that. They have a terrible job to do. I had at one time thought of applying there for a job; I do not think I would do it now.

I have been in firing-line jobs, stressful jobs. They have a tremendously difficult job and they cannot be faulted for the nature of the beast and the burden they carry. That is the way it is. I sympathize with them.

Having said that, I must say that almost the same situation arises in race relations, with overworked staff and lack of resources. We do not get as much heat as enforcement and compliance. There is no question about that. There are not enough staff and there is not enough money for these officers to go out in a community and try to do their good works and to approach these institutions in their nonthreatening ways. That is what they should be doing: they should be educating the public.

It is better to do something in prevention, to try to get to these things before they erupt, before we have conflicts and crises such as you are seeing in Birmingham and in South Africa. Now you see even two ethnic communities fighting with each other. For instance, the East Indians and the black community are fighting both in South Africa and now in Birmingham, England.

To avoid conflicts--I hope we never have them to that degree--you have to do prevention, you have to be out there working all the time doing your thing. If you are not, then when these things come up, you should have been ready for them. If you are not doing your work and you do not have enough people, you cannot cover all these bases. The same situation arises in race relations with overworked staff and a lack of resources for it to do community outreach.

What is the answer? For the race relations division it is separation. They have an excellent staff there. Both at the senior level and at the race relations level they have excellent staff, but they need to have some independence.

In my opinion, it is long overdue that these two divisions come out of the shadows and get a divorce publicly. Separation is a necessity and would be of great benefit to the race relations division, to the human rights commission and, even more important, to the public at large.

This lady Winnie was speaking and made some good points both for and against. But she also pointed out, and I think she started to understand, that there are two different bodies and that race relations cannot do certain things. But they can certainly cool out situations. Maybe they could have cooled out the Wei Fu case before it got to enforcement; I do not know. That is just something I am thinking about.

Along with separation comes independence. There are those who may argue that the divisions are independent already, but a total independence is needed here if we are to gain public confidence in the race relations division. It is not enough to say that the divisions are independent. The public must perceive this independence clearly.

The human rights commission as a whole is not independent, anyway. It is merely a branch of the Ministry of Labour and has to answer to it for every phase of its operation: accounting, finance, personnel, you name it. It has to go to the ministry for everything, so there is no independence.

In 1978 I was chairman of the Ontario Freedom of Information Citizens' Committee and I contacted United States lawmakers during that time to secure information for a research paper I was preparing with people on the committee. I became aware then, and probably long before that in the 1960s, of the different procedure in the United States on the subject of human rights bodies. In the United States, a similar vehicle to our race relations division is called the community relations service and falls under the Attorney General's department. The enforcement component is called the Equal Employment Opportunity Commission and answers to the United States Congress.

The race relations division's limited budget subtly undermines the mandate, which is to actively go out into communities, schools and institutions and to devise and implement nonthreatening forms of educational projects. I really believe in this prevention approach. Having been a community worker for more than 15 years, I know this is the way to go. There are people out there. We want equal rights for all racial minorities, for everyone.

After a while we want to stop segregating ethnic communities, visible minorities, this colour, that race. My parents came from Europe, but I was born in Canada and I know what has gone on historically over the years. In the long run, we want to be equal but we do not want to give preferential treatment to one body or one group over the other. We want equal rights for everyone. That is what we should be working toward.

You do that by going out into the community with the resources and with workshops in your schools from kindergarten

right up through the grades, and by educating those little kids that we are all the same. We are all different colours; we are all different races and religions but we are all great; we are terrific. We have to work on it simply and go right up through the system. After a while people do accept each other.

I see it even in my youth employment programs. I work with youth employment and my mandate is to hire two thirds from a visible minority. It is sort of a form of prejudice, if you will, but we are picking out kids who are poor, single parents, chronically unemployed or from a visible minority.

When I get hundreds of applications, my staff and I try to pick out those who really need a break. We give them a job but we also support them. We give life skills workshops, which include the basics--how to get a job, how to dress for the job, and, most important, how to build their self-esteem. We build that component right into their job situation.

Every second week they come in and we bring in terrific speakers who say, "You are a good person; build your self-confidence and you can do anything you want." We point out people who were starving or who did well. We even mention Mel Lastman, who was standing on the street and did not have a chesterfield and now he is a multimillionaire. We point out all these blatantly obvious types of situations. "You can win too." This is what we tell them.

We give them a four-month job experience. That is about as far as we can go. We also want these kids, when they are in our workshops, to intermingle with people of all races, creeds and colours. At first we notice that the various ethnic groups will sit with their own kind--the whites with the whites, blacks with blacks, east Indians, Chinese, Italians, Portuguese and so on. They are all segregated at the first session. By the second or third session they are crossing over.

We are talking about discrimination and stereotyping; we are also talking about exploitation of discrimination and human rights. There are those who are definitely discriminated against and have historically been discriminated against, like the Jews and the blacks. I guess those are the two worst cases of historical discrimination that come to mind.

In today's society, everyone is pretty well aware of discrimination but we have to keep educating the young people who are coming up and get them to the same level. That is the problem. We are not all at the same awareness level. One group may be, while another age group may not be. By the time you get all these groups ready to go--they like their neighbours, want to work with them and get along--you get another group coming in which may be made up of new immigrants to the country, so you have to start all over again. It is in constant flux.

What I am saying is that this race relations division has an opportunity to do some good work in the community. It can go into institutions and this is done in a nonthreatening way. When you are going into institutions, talking about discrimination, talking

about equal rights, it is very important not to let the white Anglo-Saxon community feel threatened. I try to weigh up both sides.

I do not like to see exploitation of discrimination. There are those who scream about discrimination when there is none. I really hate that, because there is discrimination. We all know it and are aware of it. When someone is waving that flag when it does not exist, it really hurts. We have to be aware of that when we are dealing with communities, legislation, human rights and the whole bag.

11:10 a.m.

I am saying this prevention approach is the way to go. The seeds we plant now will reap a harvest for the future of the country. I sincerely believe that. What we should do now is expose young people and go right up the ladder in our businesses and in our institutions. We show them what it is like, and they will say: "Hey, I work with these people or those people. They are really nice. They are just as frightened and as intimidated about getting a job. They have the same concerns and the same goals as the rest of us."

Some people are discriminatory because they have never been exposed to people of other races or cultures. It does not mean they are bigots. Maybe they come from a little island and have never met any blacks, Chinese, Italians or whatever and they say, "Oh, my God." Sometimes it is not bigotry; it is simply ignorance or lack of exposure.

In closing, if this province is serious in its bid to stamp out racism, it must give the race relations division a clear mandate, and I mean clear, to be seen clearly and understood by the public, the media, by everyone. It must be given an adequate budget. It must also be separated from the enforcement and compliance division, and I cannot speak to that strongly enough. This has to happen. I think you probably saw here today a picture of the comprehension of the community, of what people think.

Do you want the race relations division to exist? Do you want the staff to go out into the community? Do you want them to do their work? Then give them the things they need to do the job. If not, then close it down, because there is nothing else for it to do. All these excellent administrative staff members are sitting in there, at both the senior and race relations level. They are qualified but they do not have the mandate, they do not have enough resources, they cannot put on enough workshops or youth symposiums. This is what gets people talking. That is what they should be doing.

They get a lot of complaints. They are overworked already, but they could be doing a much better job, a streamlined job. This division needs to be streamlined. There are excellent senior staff to do whatever you want. The division could be put under the Attorney General; I do not know. That is just a suggestion. That is the way it is done in the United States.

The division needs independence to function effectively and a public awareness program is needed. I think this awareness program is also very important. Canon Purcell had access to the ethnic press; I think his article was called, Contrast or Share. He was trying to explain the role of his division. The people did not understand it. Even the people who sit on it do not understand it.

I think all of you do understand today that one division involves enforcement and the other advocacy and they cannot sit together. Do you want the race relations division to go on? Do you want them to defuse situations before they happen or do we have to wait for conflict, for serious crises like the Wei Fu case?

I do not know if the whole Chinese community is up in arms but I think a lot of them are. I think the situation could be defused if you could gain their confidence and try to explain. They do not understand a lot of the workings behind the Human Rights Code legislation, enforcement and so on. Somebody should be doing a community awareness job with the Chinese. Somebody should be going to the Chinese now and trying to cool them out. They should say where they are coming from, what they want to do, what they would like to see.

I am not saying whether or not the whole Chinese community should be upset about the Wei Fu case; I am not even going to remark on that. But I am saying it is a shame to let the community think everybody in the race relations division and in human rights is against them. That is a false perception that should be cleared up. That is all I have to say.

Mr. Warner: If the race relations division and the enforcement and compliance division were separated, to whom, in your opinion, should each of those report?

Ms. Stein: I do not represent race relations in coming here today: I represent myself. I am a very independent person and that is the way I am. My personal opinion is that race relations should go under the Attorney General's office. I think enforcement and compliance should be on its own and should answer to something like a legislative committee or to the province. It should be absolutely free and clear, with its own personnel department, its own accounting and finance departments.

It is done that way in the United States; not just to be a copycat for what is done there but I think they need that. They need their power, their rights and their way to move. They should be absolutely separate. I do not think they should have to answer to everybody in the whole ministry before they get something done. But they should certainly answer to someone; perhaps the provincial government, a legislative committee or whatever body you would choose from the province. I would like to see them answer to the politicians themselves.

Mr. McCaffrey: I knew a little about where Ms. Stein is coming from before she came in. She is strong and articulate and I am not in the least bit surprised. The recommendation makes a hell of a lot of sense as she has elaborated on it in her answer to

David Warner. That is part of that public review, and not the only part of it.

I might just say, Irene, if you are not aware of it, the chairman received a letter from Dr. Ubale dated September 10. I will give you my copy.

Ms. Stein: Lovely.

Mr. McCaffrey: It makes some of the same points and just sort of reinforces your position. He does not put it as well as you do.

Ms. Stein: You had better not tell him that.

Mr. Chairman: Okay. We thank you very much for appearing before the committee this morning and taking the time to share your point with us.

The committee will adjourn for a minute and then we will resume. We have three agencies in which the staff needs a little direction drafting reports.

Mr. McKessock: Is that this afternoon you are talking about?

Mr. Chairman: I would hope we might get started on one of them this morning. I leave it to the pleasure of the committee. I thought we might go over one of them this morning and do the other two this afternoon.

Mr. Warner: Let it roll.

Mr. Chairman: Okay, and we will not need Hansard for the remainder of the day. We will give you a minute to grab a coffee and for those who are not members of the committee to leave the room.

The committee continued in camera at 11:20 a.m.

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STANDING COMMITTEE ON PROCEDURAL AFFAIRS AND AGENCIES, BOARDS
AND COMMISSIONS

CANADIAN NATIONAL EXHIBITION ASSOCIATION

TUESDAY, SEPTEMBER 17, 1985

Morning sitting



STANDING COMMITTEE ON PROCEDURAL AFFAIRS AND AGENCIES,
BOARDS AND COMMISSIONS

CHAIRMAN: Breaugh, M. J. (Oshawa NDP)
VICE-CHAIRMAN: Mancini, R. (Essex South L)
Bossy, M. L. (Chatham-Kent L)
Marland, M. (Mississauga South PC)
McCaffrey, R. B. (Armourdale PC)
McClellan, R. A. (Bellwoods NDP)
Morin, G. E., (Carleton East L)
Newman, B. (Windsor-Walkerville L)
Sterling, N. W. (Carleton-Grenville PC)
Treleaven, R. L., (Oxford PC)
Warner, D. W. (Scarborough-Ellesmere NDP)

Clerk: Forsyth, S.

Assistant Clerk: Decker, T.

Staff:

Eichmanis, J., Research Officer, Legislative Research Service

Witnesses:

From the Canadian National Exhibition Association:

Barber, V. T., President; Member, Board of Governors, Exhibition Place

Charney, G. J., Legal Counsel, CNEA and Board of Governors, Exhibition Place; with Sack, Charney

Hughes, S., Corporate Secretary, CNEA and Board of Governors, Exhibition Place

Richman, M., General Manager, Administration, CNEA and Board of Governors, Exhibition Place

LEGISLATIVE ASSEMBLY OF ONTARIO

STANDING COMMITTEE ON PROCEDURAL AFFAIRS AND
AGENCIES, BOARDS AND COMMISSIONS

Tuesday, September 17, 1985

The committee met at 10:09 a.m. in committee room 228.

CANADIAN NATIONAL EXHIBITION ASSOCIATION

Mr. Chairman: This morning we have representatives of the Canadian National Exhibition Association. Mr. Barber is the president; Mr. Richman, the general manager; Mrs. Hughes, the corporate secretary; and Mr. Charney, the solicitor.

For purposes of our witnesses this morning, let me just reiterate. We had an opportunity during an afternoon to tour the premises and see some of the problems that are being encountered and we talked to some people about what might be some of the options.

The purpose of this exercise is that this is a committee of the Legislature that reviews agencies--anything that is set up by means of legislation or has a reference point to one of the ministries--but we do not do really in-depth review. It is our job to look at the relationship between agencies and the province; to make suggestions to the Legislature, for example, about acts of the Legislature which have not been updated in some time and which may be causing people some difficulty; to look at the relationship with the ministry, how formal that is, how well understood it is; and to look at whether the agency is working well or not doing anything any more.

We get to look at quite a broad cross-section of agencies. For example, yours is one that has a very large operational side to it. Then there are agencies for which we advise the government on very specific kinds of things. They may not have a whole lot of assets on the ground. Some of them are four guys meeting in the Royal York Hotel once a year. It is a broad spectrum of things.

Generally, what we like to do is to decide that there is a facility we should have a look at, and we try to work that agency into the schedule. Then we like to invite you in and, first of all, give you the opportunity to say virtually anything you want to say as opening remarks. I will do a little bit of questioning based on the paper research that has gone on over the last three or four months, and then we will open it up so that other members of the committee can have an opportunity to talk to you for a little while.

At the end of that, we hide for a little while and write a report to the Legislature, outlining what we saw, what some of our concerns might be and what recommendations we might have. That report is usually tabled in the Legislature subsequent to some debate. As a matter of course now, the ministries respond to us, so that if we find an area where a problem has occurred or a

problem may occur, we would anticipate that the wheels of government would turn over a little bit and at least a response would be forthcoming. For many agencies this is an opportunity to get something off their chests, cry out for help or say, "We are out of business," or whatever it is they want to say.

That is what we are going to extend to you this morning. Maybe we could just begin if you have any opening remarks you want to make. Just before you do, we keep a Hansard record of each and every wonderful word that is spoken in here this morning. For purposes of Hansard, would you identify yourselves so that the operators can get that in writing. Go ahead.

Mr. Barber: Mr. Chairman and members of the committee, my name is Vern Barber and I am president of the Canadian National Exhibition Association.

I have quite a number of things to address this morning. Frankly, we were given this research document, which I think everyone has in his hands. We felt there were a number of inaccuracies--misinterpretations is perhaps the correct word--contained within the document. We were directed by a letter to phone one of the researchers and go over these inaccuracies, which was done. I am sorry I did not bring that letter with me. I did not realize there would be a need for it.

It resulted in a phone call of about one half to three quarters of an hour. We thought we had it cleared up, but I understand that a revised document is not in your hands. So my opening remarks are probably going to be a little lengthy, because I should revise this document at this time, so that we are all looking at much the same information.

Mr. Chairman: That is why you are here.

Mr. Barber: Thank you. May I then direct your attention to page 6 of the research document? Obviously, we have no issue to take with anything that is contained prior to that point. I would ask you to look at the relationship between the CNEA and Exhibition Place, which is the problem area.

May I say it is quite understandable from our point of view that there is a problem here, because I do not think the press quite understands this relationship. It is misquoted in many places. This morning I will attempt to clear this up once and for all for you, and then we will go on from there.

Going back to 1983, a problem arose in what was traditionally a relationship between Metropolitan Toronto and the CNEA, which really was a result of a then understood arrangement whereby a domed stadium and a large trade centre were to be built at Exhibition Place. Understandably, the then chairman of Metropolitan Toronto thought that the fiscal relationship, fiscal control between the Canadian National Exhibition Association and Metro council, was somewhat loose in the sense that they really did not have control over what the CNEA did or how they spent their money.

We were the creature or agent of the province rather than of Metro. He felt there was a looseness there, that before major expenditures were made or large investments made in Exhibition Place, a better type of relationship should be established. As a result, he applied to the province to change the Municipality of Metropolitan Toronto Act to establish a board of governors of Exhibition Place. We now have Bill 195, which really is the official act. This pretty clearly established the board of governors as the landlords of Exhibition Place. Their control is fiscal, not operational; I think that has to be made very clear.

The board of governors was established by inviting four members of the Canadian National Exhibition Association and their president with three elected officials from Metro and five citizen appointees. These appointments were made by Metropolitan Toronto. The CNEA representatives were recommended to Metropolitan Toronto, which simply appointed them for a term of three years. The three years expire in November of this year. It will be interesting to see what happens in terms of these appointments from that point on.

Of course, some changes took place. One of the important ones was the fact that the domed stadium is not likely to be built there. I say "likely" because I frankly do not know. This appears to be an on again, off again sort of thing. I think it is reasonable to expect that the domed stadium will be built at the foot of the Canadian National Railway tower. The trade centre, being planned at the moment, is not going to be built at Exhibition Place, so, in effect, the reason for establishing the board of governors no longer exists.

Going back to that point where they took over as landlords, one of the first acts was to set up an agreement with the Canadian National Exhibition Association, setting out the way in which both the CNEA and the board of governors would function. If you read that agreement carefully, you will see there are really only two basic control points. One is fiscal, and that is complete. The other one is that any agreements that exceed one year in duration have to receive approval of the board of governors before the CNEA can sign them. I think that is an understandable control.

Actually, they have operated together quite well over this three-year period because the board of governors has done nothing; so it is pretty hard to fight with it.

Mr. Chairman: That is the coolie stall. It is an old technique.

10:20 a.m.

Mr. Barber: As you said, we could call it as it is. Let us do just that.

As a matter of fact, that is so. Admittedly, it sounds peculiar, but it is indeed so. The agreements with respect to the stadium were all in place before the board of governors took over. They simply administered what we had already agreed on.

The rental of the buildings that are capable of being rented has always been a sore spot with us because, although we could rent all the buildings, unfortunately very few are heated. It is pretty hard to rent unheated buildings in winter. However, the program that was applied to rent these buildings to various trade shows during that time was all in place, and virtually all the trade shows currently doing so had been renting them from the CNEA prior to establishing the board of governors.

The board has not seen fit to play any role whatsoever in the operation of the annual fair. I should make that quite clear. Their interest has been pretty dormant in this area, which is perhaps understandable, since they really do not know a great deal about it.

I think those of you who had a chance to tour the fair will understand it is pretty complicated. It is the world's largest annual exhibition. It does not just happen; somebody has to make it happen. For people who have not been involved in it to walk in and say, "I think we can run this thing," it would be virtually suicide under the trial. It takes an awful lot of people and they are all volunteers.

We should talk about the volunteer organizations for a moment. I think you are aware the CNE has been in existence for 107 years, with a slight interruption during the Second World War years when some of us, anyway, slept there for a few weeks of our military careers in what is now the cow palace.

However, other than that period when it was used for other purposes, it has been an exhibition. It might be interesting to note that the only one that approaches it in size and stature is the Texas State Fair. We had representatives from it up just last week looking at what we are doing. When a Texan admits he is second to us, then I guess that must indeed be the case. Our numbers for this year, and I think perhaps you saw them in the newspapers that were just released, are just shy of 2.3 million, which is almost a 200,000-increase over the previous year.

Despite some newspaper reports that the fair is getting a little tacky and going downhill, it is not necessarily so. This year's performance would certainly indicate it is not so at all.

That then is the arrangement we currently have with the board of governors and Metro.

I would like to deal now with page 6 and this relationship. Your research indicates that, according to newspaper accounts, Metropolitan Toronto lost confidence in the CNE Association to operate and manage the CNE grounds properly.

I do not think I have to spend a lot of time explaining to this committee that a newspaper account is not always 100 per cent accurate. That is an interpretation. We are saying in this instance it was not accurate at all. I think I explained why this was done. It was primarily to provide a fiscal control point because of the anticipated location of the domed stadium and trade centre. It had nothing, or virtually nothing, to do with any lack of confidence in our ability to run the fair.

Further down in that paragraph, and I quote here from your research report, it says: "In practical terms, the board of governors of Exhibition Place was given responsibility for operating the fairgrounds throughout the year, while the Canadian National Exhibition Association has responsibility for operating the annual exhibition held each August."

I want to add a little something to that statement. That also accounts for the majority of the income and it takes 12 months to put it all together. The fair runs for 20 days, but as you have now seen and I think you recognize, although it may run for 20 days, it takes a heck of a lot longer than that to put all the pieces together, to get all the volunteers who number in the thousands to all do their thing, and to see that what is the Canadian National Exhibition is what we put on display when it opens in late August.

Turning to page 7, it says, "As for the CNE association, it had to seek a separate agreement with the board of governors of Exhibition Place." It did that. "The agreement provides that the association will manage the annual exhibition through the CNE management committee..."

Let me say something about that. The CNE management committee was set up as a small committee to get rid of large boards on both sides. Despite the fact you have no doubt heard or read many reports about the size of the Canadian National Exhibition board, it is not as big as Metropolitan Toronto's board, so it is not all that huge. However, when you put the two together it is an awful lot of people.

Therefore, it is a small management committee structure. Interestingly, the balance of power on that committee was always left in the hands of the CNEA, because it was four votes to three. At any time, the CNEA representatives could have out-voted the board of governors' representatives. That was done purposely.

However, the business discussed was CNEA business and the people attending from the board of governors were citizen appointees who really did not understand the CNEA business. They found it somewhat boring. They found it difficult to participate much. In effect, two meetings of the management committee were held three years ago and no meetings have been called since. The management committee that was to run the whole thing has been nonfunctional. It is in the back drawer somewhere. To my knowledge, there are no plans to reconvene the committee. I think we can eliminate that from our thinking. Although it exists legally, it does not exist in practical terms.

In the next paragraph we state that, "Under this agreement it would appear that the CNE Association has retained only nominal responsibility for the operation of the annual exhibition." I guess I am repeating a lot of things. On the other hand, I have to do that because that is the form your research has taken. That really is not correct at all. It is not a "nominal responsibility for the operation of the annual exhibition;" it is complete.

We must have budgets approved. These budgets we prepare for

the CNE are first approved by the board of governors, who then send the budget on to the Metro Toronto budget subcommittee. They approve them in a global sense. Then it comes back to us and that is really the end of the control. Of course, we must live within the budget, but as long as we do that--and we have been successful in doing it--there is really no fuss with anybody from that point on.

10:30 a.m.

Because it usually is not highly publicized, I might mention that we had a surplus last year of some \$3 million, which was turned back to Metro. This thing is not operating as a losing proposition or anything. Although we do not have the financial figures in for this year, we have no reason to believe it will be less than \$3 million. If anything, we rather hope it might be somewhat better.

With respect to accountability and control, "The CNE Association, although constituted by legislation and having several Lieutenant Governor in Council appointments, has become an agency of the Corporation of Metropolitan Toronto." We fail to see how that could possibly be a conclusion that was drawn on the basis of any research that was done.

For 107 years we have been an agency or creature of the province. Nothing has changed, in our view. We are still running the CNE. About the only thing that has changed, if there is a change, is that we do not take responsibility for running the balance of the park--that is, rental of buildings and operation of the stadium, which for a good many years we did. We know now why we are no longer doing it.

It is interesting to note that the rental of other buildings, which are public property, represents a loss on the statements of the board of governors, and the stadium makes money. That is nothing new. That happened when we ran it. It is still the case and probably will remain so until such time as sufficient investments are made to make some of the other buildings rentable during the winter months, rather than having them sit there, creating some upkeep costs with no income.

In effect, we are saying the accountability and control is only budgetary. We feel, and I think we would be the first ones to holler if it was not so, the CNEA is still running the Canadian National Exhibition, as it has done in the past and as it anticipates doing in the future, because, in our view, there is no other body that has knowledge anywhere near being sufficient to take over this responsibility.

On page 8, under the headline, Limited Role of the Ontario Government, it says: "In view of the fact that the CNE Association has become an agency of the council of Metropolitan Toronto." We take issue with that statement. We have not become an agency of the council of Metropolitan Toronto. They do not appoint the CNEA. They appoint the board of governors. I think this is where perhaps there has been a little misunderstanding. We are still an elected body; that is, the officers are elected by the board of directors

of the CNEA who, in turn, are elected at an annual meeting by the members of the association.

The association itself is very large. Every organization that makes a contribution to the fair, including the few who do not--we have to keep revising the association's membership--is allowed to put forward one person as a member of the association, so their feelings may be transmitted and we can keep their participation at the level we need in order to run the fair properly. Those who do a bit of work obviously come to the attention of the association and it is from these we elect our board of directors.

All the way up the line, up to and including the president, we are volunteers who have come to the attention of the group, generally through participating in some fashion, usually in quite a substantial one. That is the way we were structured by the province initially, and we still still operate in that manner. By the way, none of us, including the president, gets paid. I sometimes wonder whether that is right, having been president, but that is the way it is.

The relevance of the CNE--

Mr. Mancini: Would you like a per diem or something, or what do you think we could recommend? Would you like \$23 a day?

Mr. Barber: Somebody will tell me it pays me the dollar a year. I thought I was a dollar-a-year man, but I can't find anybody who has the dollar.

Mr. Richman: It is not in the budget.

Mr. Barber: Mr. Richman says it is not in the budget, so I guess we're in real trouble.

As to the relevance of the Canadian National Exhibition Association, I read from the research report, "Given the existence of the board of governors of Exhibition Place and its mandate to operate the facilities at Exhibition Place year round, and the fact that the agreement between the CNE Association and the board of Exhibition Place gives the latter considerable control over the association, it is not clear why there should continue to exist a separate CNE Association with the sole responsibility of operating the annual exhibition."

May I please try to make that very clear? I think some of the things I have said to this point probably have clarified it. We make the statement, which I do not think there is any reason for anyone to question, that we are important to the CNE because no other organization is capable of running that fair. They do not have the experience and, frankly, I do not think they have the motivation either.

I suppose this is an unfair thing to say, but just so one can understand the magnitude of it, the chairman of the board of governors attended our opening night and the following morning took off for the Mediterranean for a cruise and is not due

back--Is he back yet? He is back now. I do not say that in a derogatory fashion. I am saying only that he is an astute businessman who did not see that his presence was needed and so he was not there. I am quoting this type of thing only to try to point out to the committee that the board of governors does not run the CNE anyway.

We believe the CNEA should have its responsibility broadened and go back to what it was. In our view, there will no longer be a dome at Exhibition Place, and the CNEA is much better qualified, experienced and everything else. Where there are two tiers of senior management, I do not think one has to go to Harvard to recognize that is not too workable.

The staff is sitting on both sides. They must relate to the people who have something to say about their salaries and their future, which happens to be the board of governors because it has the fiscal control, but in actual fact they spend perhaps as much as 65 or 70 per cent of their time on CNE matters.

The CNE president and for that matter the board are physically there much more often. I hope it does not continue all year, but I have been spending three or four days a week in that office. It is very difficult for staff to know who to take their time from. I think the time has arrived when we have to look at what management control is required if that thing is going to operate properly for the next 100 years.

Now I do not expect everyone to agree with what I am going to say, but the board of governors was established by the province in its wisdom at the request of Metropolitan Toronto, with little or no consultation with the Canadian National Exhibition Association, despite the fact there is a relationship under the act between the province and the Canadian National Exhibition Association.

10:40 p.m.

I made the statement to the Metro chairman as late as two weeks ago that I think he should get rid of his board of governors. I do not think he is prepared to bite the bullet yet, but it still is a fact. It has to happen and I think it will happen largely because the board of governors--if anybody worth his or her salt is going to take an appointment to that board obviously with little, if anything, to do, you have to wonder exactly why they would want to become part of it.

Now that we are not going to have the reasons for their existence in the first place there, it is very hard to know exactly what initiative they do take. We can tell you what they do, which is nothing, but I do not think you can blame them for that. If nobody gives you anything to do, then I think the inclination is to do just that. That is about what is happening.

We think we are right in asking that the board of governors be the one that ought to disappear and not the Canadian National Exhibition Association because if the CNEA disappears, so would the Canadian National Exhibition and I do not think that is the

intent of anybody, including Metro Toronto.

Now in the last paragraph on page 8, research says: "The CNE Association, however, would appear to have little control over this aspect of its operations, since it is the board of Exhibition Place in conjunction with the council of Metropolitan Toronto which will decide how the facilities at Exhibition Place are to be renovated or reconstructed."

Unfortunately, that is absolutely right and that is the greatest roadblock I can imagine to developing what we feel is a terribly important piece of real estate to Metropolitan Toronto. There are 350 acres of prime land. The province has a beautiful facility sitting right alongside it in Ontario Place and might I suggest that the future of Ontario Place will depend to a great extent on just how well we are able to keep the balance of that facility going. If it runs down or becomes something else, may I suggest that so will Ontario Place.

We also think there is a great possibility of this becoming a liability to the taxpayer if it is allowed to drift too long. At the moment we are in the throes of another study. I think you understand what studies are. By the way, we have had 125 of them in the last 20 years. That is quite a bit of study.

Interjection.

Mr. Barber: We have another one in process right now. I do not know what is going to come out of it. I hope more than has come out of the last 125, but it may not.

Where do I think it should go as president of the Canadian National Exhibition Association? I will tell you where I think it ought to go. I think it ought to go to the province. I think that sooner or later Metro is going to have to say to the province what Toronto said to Metro 20 years ago, "Look, you have got beyond our tax base. We really cannot do the job that facility deserves. We cannot afford it. We do not really have any particular desire to undertake it. Metro, you take it over for a buck," which is what happened. For one dollar Metro took it over and then they proceeded to study it. Really over that 20-year period, they got a tremendous bargain for their dollar because there has been very little investment made.

I do not think we should sit there just looking at a place deteriorating. The time is fast approaching when Metro may very well have to say, "Look, province, this has gone beyond us. We do not have the inspiration or the budget to do much with this thing. You have Ontario Place sitting there. Why would we not look at one management for the entire facility? It is designed to entertain people. Does it not make sense that it is one package and everything we do then would be headed in that direction?"

May I say at this point in time there is a study under way that looks very promising to head Metropolitan Toronto in the direction of a world's fair situation. We do not know whether it is feasible. Perhaps I ought to say if it is viable rather than feasible because we think it can be feasible all right, but we

want to make sure of its viability. We think that if we went that route, private investment would be required, should be required and is available for a lot of the activity that would take place.

Price Waterhouse, whom I am sure we are all familiar with, is heading up this investigation at present. When we have those numbers back, we will know why some of the other fairs did or did not make money and we will have numbers we can rely on. If it is viable, we will be pushing hard on it. The province will hear a little more from us, and so will the federal government, in the event that we think Toronto ought to have a world's fair.

May I take a moment, on the last page, to address some of the questions raised by your research. The first question was: What role does the association envisage for itself in the future?

I have touched on a lot of these things, but let me enlarge on this a little. This takes us into the position of attempting to run the whole facility of 350 acres. We do not think there is too much terribly wrong with the CNE. When you have 2.3 million coming through your gates in 20 days, you are satisfying an awful lot of people, despite in some cases well-deserved criticism of some of the tacky things that go on; but a fair is a fair. You may not think that seeing a whole row of cattle standing in stalls is all that exciting, but the fact is that a heck of a lot of people disagree. We ought not to overlook that.

We recognize that when the sport teams leave for the domed stadium, the biggest loss to the CNEA, if we are going to be responsible for it, will be the loss of parking revenue. We have to compensate for that in some way.

We all read about the great fuss over a car race for next July. That is a responsibility of the board of governors. It is very tough to get something like this through Toronto city council--in fact, it is a jungle in many ways--but it had to be done. Molson's was sponsoring it and assured us of \$300,000 net profit in year one, with the expectation that if it goes well and we open the thing up to full audience participation, it will exceed that considerably over a period of time. But we had \$300,000 in year one to go into the treasury of Exhibition Place.

We felt we had to try some different things, and this looked like a good one; we decided to take a one-year deal and try it and see. We asked for participation from the board of governors to assist in appearing before the various committees, neighbourhood meetings and council meetings that were required to get approval of the one-year test. I was told that if I wanted to appear as president of the CNEA, that was my privilege. By virtue of the office I hold, I am a governor of Exhibition Place; I was also asked to represent the chairman of the board of governors and his deputy at all these meetings because they did not want to appear. I can understand that. I do not have a business to lose, whereas they do. I think it is as simple as that.

It was the president and the chief general manager of the CNEA and their attorney who appeared before all these things, and you all know we fought it long and hard and got it through. We now have approval for a one-year test.

10:50 a.m.

When we look at the future of Exhibition Place, what we are saying is we are not sitting still and doing nothing. We are trying some things. There has been some conversation with the Ontario Jockey Club as to whether there is a possibility of their becoming involved. I do not know whether that will go very far--it is very superficial at this point--but once again this might indicate we are not sitting there waiting for doom and gloom to take over the place.

I would have thought this might not be a question; so I am going to put it forward in this fashion. I find it difficult to understand why there was no discussion with either the president of the CNEA or its chief general manager when this research document was being prepared. It sounds as if I am criticizing the research. I do not know what the process is; perhaps it did not allow, or maybe there was no time, for these matters to be discussed with the two main people at the agency being looked at. It seems to me it might not have been a bad idea to do that. Had it been done, I would not have to talk quite as much and take up so much of your time this morning.

The second question is: Is there a need for the continued existence of the association in the light of the creation of the board of Exhibition Place? All I can say is that, if we reverse that, I would say no, I do not think there is a need for a board of governors. I hope at this point I might have said enough to convince you that the CNEA ought to exist. The board of governors might be looked at.

The third question is: Could the association move the annual exhibition to some other location? I am going to say unequivocally yes; absolutely. Would they move it? I do not know; it has not been discussed. If the need ever arose, you could pick it up and move it. We think there would be some interest in such a move.

I believe I have covered those points I felt ought to be covered this morning. I thank you for bearing with me for this lengthy discourse.

Mr. Chairman: Thank you. That is very good.

By way of explanation, Mr. Eichmanis's job is to do paper research. With a number of agencies, we find no one has done any research into what is actually written down; to deal with what actually happens is our job. His job is to go through the mounds of paper that exist about every agency, try to sort them out and point us in the right direction. It is our job to talk to you and general managers and people like that about what is really happening.

We make that division, and it is arbitrary, but it is one we are forced into because each of us, obviously, is not going to go through the library for four months and research all these agencies, acts and numbers.

Let me put these questions to you with a slightly different direction, because we need to get this straightened out--at the

beginning. You have a personal opinion on what should happen to the association. Does the association have a formal opinion about what its future might be and whether it should be more directly aligned with the province?

I know you took some exception to Mr. Eichmanis's remarks that you were an agency of Metro, but as an observer, let me put it this way: If you are handing over your money to them, that is pretty damned close to being their agency. You may not think you want to be one, but it seems to me they hold the purse-strings.

As an association, have you sat down and analysed whether it would be better to be a total creature of the province, reporting to it, and not have your relationship with Metro? That could happen. Just across the pond from you is an agency of the province that had some operational problems initially but seems to be straightening itself out. Does your association have a formal position on what we might call alignment?

Technically, it is obvious from looking at the research paper that associations are all over the place. You are related to Metropolitan Toronto, yet for some things you have to report to the city and for others to the province.

We have all seen a multitude of reports. There is an almost annual tabling of some transportation document about how a transit system might be done in and around Exhibition Place. We are all aware that there are many lines of communication--they seem to be kind of fouled--and that there are many different lines of responsibility. Maybe that is in part one of the problems we have here.

Has your association sat down, without going through another study, and said, "We would like to become an agency of one level of government, and this is it"? Or do we have a collection of personal opinions here?

Mr. Barber: I am going to answer your question very quickly and say yes, we have. Yes, we would like to have one relationship; and yes, we would like it to be with the province.

Mr. Chairman: The formal position of the association then is that you would be a direct-line agency of the province; day-by-day, budgetary terms, and big principles. That is the direction you want to go.

Mr. Barber: One term in that statement bothers me: "formal position." A formal position would indicate to me that we should have taken a vote on it.

Mr. Chairman: Yes.

Mr. Barber: We are not in a position to do that at this time. That might be the easiest way I could think of getting into a terrible row with Metro.

Mr. Chairman: Sure.

Mr. Barber: We are saying that formal position has not been taken. As our-solicitor just pointed out, a great deal would depend upon who owns Exhibition Place. As I understand it, the province would not be terribly interested in becoming involved unless it was invited to be involved by Metro. That has not yet taken place. It may very well take place when some of these studies have been concluded and they can see that, without help from the province, they just cannot be undertaken. At that point, I can assure you, a formal position would be taken; then my first answer would be correct.

Mr. Chairman: What you are telling us this morning is that the positions you put here are a consensus of people on the association. You have not put a motion, and you have not had a formal discussion about it, but as someone who is involved in an operational sense, you have come to an opinion that probably reflects some kind of consensus among the association.

Mr. Barber: It is clearer than that. It is not some kind of consensus; a consensus very definitely exists. Other than that, your assessment is correct.

Mr. Chairman: That leads to the next logical step here. If that were to happen, what might that look like? Would we be talking about all kinds of existing appointments--operations, associations and boards of governors--getting wiped and a new group being put into place called whatever you want to call it? Are we at the stage that we ought to do that?

We are all mindful that at the heart of much of what you do, the agricultural and horticultural aspects and all of that, there are literally thousands of volunteers out there who for a long time have had their say about what happens at the Ex. We all want to continue that; but there are lots of ways to do that without having 8,000 people in command of the ship. Are we talking about a new structure for Exhibition Place and the exhibition and the association?

Mr. Barber: We do not see any way of doing it otherwise. We think you need a single controlling body, whatever it might be called; whether it be a crown corporation or called by some other name is immaterial. We think the whole thing would benefit from one management group.

We do not see any great problem with the volunteers continuing to relate to that one management group. We should make it pretty clear that there is only one reason why one volunteers one's time. Let me speak personally for a moment. I have given a lot of my time. My time used to be worth quite a bit of money. I do it because the exhibition is something we attended as kids. It is something that has been here in Toronto. We think it is something that should be continued. It is an institution of 107 years of age and we would hate to see anything happen to it.

One says: "There is a job to be done. I would like to do it. If I can contribute something, that is pay enough." That is the attitude virtually all volunteers take. There is nothing else to be gained from it. I do not see any problem with them relating to

a group that is charged with seeing this thing is put on properly, as long as that is their interest.

11 a.m.

Mr. Chairman: In much of his research, Mr. Eichmanis pointed out that a lot of the conditions under which some changes were proposed have altered substantially. You mentioned that the domed stadium does not appear to be headed towards the exhibition grounds. We have just reviewed a big convention centre that is heavily into being a trade centre.

A lot of the options people talked about for a while in and around Exhibition Place are getting cut off at the pass. One of the things that has been suggested to us in casual conversation is that it is a big fair in the middle of the city and it is possible another site could be found. It seems to many of us that it would be a shame to take that kind of acreage, which is unique in almost any urban centre in the world, and turn it over to the high-rise folks and let them go to work on it.

I take it from what you have said it is your preference that an annual exhibition of the kind that has always been run ought to stay on that site. That would be your first option. It would be possible to move it elsewhere and let a race track, gambling casino or whatever else anybody might have in mind go there, but your preference would be to retain the CNE on that site. Is that right?

Mr. Barber: Yes, it is. I do not think we should give up on a trade centre because a convention centre has been built. They are two entirely different things. We know for a fact that there are major trade organizations worldwide that look on Toronto as one of the choice locations to bring major shows to. They see Toronto as a world-class city in every sense. They also recognize that there are just not the facilities to house something the size of a trade centre. They do not have that here in Toronto, even with the Metropolitan Toronto Convention Centre.

You might say, "We will put the dome beside the convention centre and it ought to make a good facility." Perhaps so, but from any of the studies we have made we still think we are short of what is required. We would like to see Exhibition Place developed fully. It is owned by the people. We think it is more of a province-wide monument than a Metro facility. We cannot see why Metro would be concerned about who owns it as long as it is there.

Keep in mind that is not the only thing happening on those grounds at present. The Royal Agricultural Winter Fair also takes place in Toronto; it is very popular in the province and beyond. We should not be speaking for them; they have their own group. By the way, they relate to the board of governors as we do; the board of governors is their landlord.

We think 350 acres is crying out for development and should not simply be walked away from, with all these things that have been part of it going somewhere else, which each could do with the proper exception of Ontario Place; I do not know how you move that. For the rest of it, you are walking away from rather elderly buildings that are badly in need of some work.

Mr. Richman: Perhaps I might elaborate on that. I am Marty Richman, general manager, administration, Exhibition Place. Comment was made in regard to the convention centre--I heard this from a number of people--and I think there is a misinterpretation of the role of the convention centre vis-à-vis Exhibition Place.

The convention centre is geared mainly to handle conventions. It has trade show space of approximately 200,000 square feet. That space is geared to handle trade shows that relate to the various conventions taking place in the convention centre. Because of the fact they have had available time in the first few years of operation, they have put in some public consumer shows.

However, Exhibition Place has under one roof in excess of 600,000 square feet. Shows such as the Boat Show, the Home Show and the Sportsmen's Show could not appear in any other location in Ontario or pretty well in Canada.

In addition to that excess of 600,000 square feet of show space, we also have the automotive building, the Queen Elizabeth building and the arts, crafts and hobbies building, all of which are winterized. They are really two completely different businesses. As time goes on and the Metropolitan Toronto Convention Centre gets filled with more conventions, it will have much less time available for any consumer shows.

Mr. Chairman: Let me just pick up on one final point. Out of John's research and out of the visit to the site, it was pretty apparent to us that there is a music building that you cannot unlock the doors to and cannot rebuild because Metro or somebody will not give you the money and somebody might put a stamp on it as an historical site to boot.

We went through another building where it is okay to use the bottom floor, but you really cannot let people upstairs in any numbers because the building inspectors say it is not safe. I do not know what you do with a stadium that size that does not have professional sports teams operating out of it. We appear to have some operational problems of some size here. How urgent is it that we proceed to do some reorganizing of what the structure is, whom you report to and who is responsible for it?

Mr. Barber: The greatest mistake we might make is to wait until we have the problem right in our lap before we do anything about it. Let us visualize that somewhere in the next two to three years there ought to be a domed stadium built somewhere.

The urgency now is to plan on what we are going to do when that does take place because we are going to lose a lot of revenue. The worst thing that can happen--we can always be derelict in our responsibility--is to let Exhibition Place unnecessarily go back in the public purse as a liability. That could happen.

The Canadian National Exhibition in itself could not support that whole facility. There is too much cost associated with it. We

think certain things have to be tried and experimented with so they are ready to be put in place when the one revenue leaves.

We say there is a possibility of racetracks. For example, the Jockey Club would really like to get out of Greenwood. A good deal of pressure is being put on it to get out. There are many other uses for that land, none of which includes the racetrack. It is also extremely valuable land; so they might do awfully well by selling it.

They are suggesting that a one-mile harness track might have a lot of merit if we redesigned the stadium to accommodate that, without going into any details. There have been no details worked out. We are just looking at possibilities at this point. We would say fine, but if you are going to negotiate with them to put in something like this, you might also say that we had some other uses we want to apply to that stadium.

If we do that, it must be constructed in such a way that some of these other uses can be accommodated. That might allow us to put on some sporting events or concerts--anything we feel will add to and enhance the income that facility can generate and enhance the pleasure of the general populace. We think there are a great many things that can be done with that total facility, but we should be doing them pretty soon. We have already started in some of these areas to get something on stream, to get some decisions taken.

Mr. Warner: First, I wish to thank the people who treated us so well when we came out for our little tour. Your hospitality was very much appreciated. Also, I appreciate your candid approach to the subject this morning, Mr. Barber. It was very refreshing.

11:10 a.m.

I have a couple of questions. Can you clarify for me who owns the land and the buildings, the 350 acres and all the buildings?

Mr. Barber: Metropolitan Toronto.

Mr. Warner: It owns the whole works, including the land? It has clear title to that? That includes the stadium?

Mr. Barber: Yes, it does.

Mr. Warner: And it includes the grandstand?

Mr. Barber: It is the same thing.

Mr. Warner: Price Waterhouse, you mention, is doing your latest in a long series of studies. Who has commissioned them to do it?

Mr. Barber: There are two studies going on. One is being done by the the chairman of Metropolitan Toronto, which is the one you have seen in the press. That is not a study with anything to

do with the world's fair possibility. They are simply reviewing all the studies that have preceded and trying to come up with some thoughts they feel will fly concerning the 350 acres.

We felt we should be looking at the world's fair possibility--the Canadian National Exhibition Association, that is--and we have been spearheading that study, should it prove to be viable. We know that the board of governors, if it still exists, and the CNEA should jointly place that in front of Metropolitan Toronto. The Metro chairman is aware of our study and that Price Waterhouse is undertaking this on our behalf.

Mr. Warner: Does either of the studies address the renovation cost of your existing structures?

Mr. Barber: Yes, it will.

Mr. Warner: So that you can put it into some kind of perspective, if we were to maintain it as is, but fix up the buildings to get year-round use out of them, is that one of the options being considered, as opposed to tearing some of them down and putting up new buildings?

Mr. Barber: The mandate Price Waterhouse has been given is to prove whether we should stay out of the world's fair business. It would be just as satisfactory to us if they were to come along with their study and say, "We think you should go ahead with it." They have not been given the mandate to simply tell us how we get into a world's fair situation. We said, "Tell us whether it is a good thing or not, and we will be happy either way."

Mr. Warner: I share some of the concerns the chairman mentioned. One of the frightening possibilities is that if at some stage the CNE was not viable and became a liability, the thing could be sold to some developer who puts up high-rises. That is a frightening possibility. As you and others have thought about the future of the buildings, the lands and the whole concept of the CNE, has anyone mentioned the possibility of putting in a Tivoli Gardens type of structure?

Mr. Barber: It is our understanding that the Metro chairman is including a review of that possibility in his study.

Mr. Warner: In effect, while you folks have been operating the CNE from a practical standpoint and making the thing work, making it a part of the tradition of this city and of the province, when you have had surpluses, they have been turned over to Metro, which owns the grounds. How long has that been the case? For the last 20 years?

Mr. Barber: Oh, yes, and longer. By the same token, I should say that should we have a loss, and we had one, Metro would have to pick it up.

Mr. Warner: Any rough idea over the 20 years as to whether the net of that is plus or minus?

Mr. Barber: It would certainly have been plus. Do you recall how many loss years in our department?

Mr. Charney: I know of only one.

Mr. Barber: I think one in the last 20 years, so obviously the plus side is rather substantial.

Mr. Warner: So Metro has done well for its dollar.

Mr. Barber: As the landlord, it can throw a lot of numbers around. They have made some investments and they are asking: "What about a return on our investments? What about our tax dollars had we been charging somebody taxes for this site?" I do not know how one approaches that.

Mr. Warner: On the other side of that, they have been quite happy to take profits from you, but have in turn simply studied you to death without actually doing any major renovations to the buildings. That hardly seems like a fair return.

One last question. Have you folks given up on the idea of the domed stadium being located there?

Mr. Barber: We never give up on anything, but I do not know where we might turn to try to persuade people that it ought to be there. The interesting thing is that this domed stadium was the result of a study we commissioned in the first place. We brought it forward. The then chairman of Metropolitan Toronto thought it was a great idea. Everybody said, "Hey, let's go."

Then the province got hold of it and decided to look at a lot of other sites and make sure this was the correct one. Lo and behold, after the first study the province made of this, another site with which you are familiar was selected as the number one choice. Interestingly, that site never made a submission. Studies were supposed to examine submissions, but this one came out of the blue.

Mr. Warner: As a friendly suggestion, do not give up on the idea. This committee is looking at the financing and there are serious concerns about the location. Canadian National has seen fit to hold up the domed stadium for ransom. They refuse to co-operate by putting in adequate housing proposals for their lands and they are holding up the domed stadium as the carrot everyone will jump for.

That may not work. The CN may not get away with it and there may be a sober second thought as to a more desirable location. I urge you to continue to make your pitch for the area. It surely would not be incompatible with the trade fair plans as well. I do not know precisely how much land you require for a trade fair, but 350 acres is something to work with. If you were to have the domed stadium in there, you might also be able to include plans that would take in a trade fair and Ontario Place as a huge complex.

Mr. Barber: Thank you for the encouragement. I hope it is real encouragement.

In the original work we submitted placing the domed stadium beside the existing stadium, we even worked out how that might be done without interrupting anything. In other words, there is land beside the present stadium on which a new stadium could be built and the old stadium would not be pulled down until the new stadium was operable. Then the old stadium would come down and a trade centre would be built on that site. Our plan included the whole thing. It all fits and it would make a beautiful utilization of 350 acres for that location.

We were unsuccessful. We are happy to keep in there punching, but we are going to need a lot of help.

Mr. Chairman: You have a real lightweight on your side right now.

Mrs. Marland: That last quote will not be in Hansard, I hope.

Mr. Chairman: Everything goes in Hansard. They never miss a trick.

Mrs. Marland: I would like a point of personal privilege on being a real lightweight.

11:20 a.m.

At the outset of my few questions, I would like to point out to members of the committee who may not know that Mr. Barber was president of IGA. Certainly, when he says he comes from a background where he is used to being paid for doing a job, Mr. Barber's contribution to the province in his present position and in his past position on the board of directors of the Canadian National Exhibition is about the best bargain this province could have.

We are extremely fortunate to have a man of his ability and commitment in the position that he has been in and is today. I did not realize there was no honorarium or per diem at all. I find that interesting because we have spent nine weeks now looking at agencies, boards and commissions in this province and there is quite a variance. I know your time commitment in the position you hold. I also think if the CNE can come up with a surplus every year, we should put you in charge of the provincial Treasury.

Mr. Chairman: The eulogy is over.

Interjections.

Mrs. Marland: The New Democrats are sometimes really funny. We should tell you that the three people in the centre are with the government. I am a Tory sitting over here with the two members from the NDP and the other Tories are on the other side. I am sitting here because I enjoy them.

Mr. Treleaven: What is different is they are mutually funny.

Mrs. Marland: Because you do not have exhibition pay, your surplus is generated purely by your gate receipts and exhibitors who pay to exhibit. Is that correct? Is there an income from your exhibitors?

Mr. Barber: Yes.

Mrs. Marland: Right. The source of your income is your gate receipts and your exhibitors, since you do not have the stadium.

Mr. Barber: That is correct. I might add that during the period of the CNE the concerts at the grandstand are the CNE, so we do have the proceeds from the concerts as well.

Mrs. Marland: That is what I wondered.

Mr. Barber: We have an arrangement with the board of governors that we are allowed to rent the grandstand for the period of the CNE and we put that on.

Mrs. Marland: The three weeks or so in which you have all the headliners must generate quite a good income.

Mr. Barber: Yes.

Mrs. Marland: I thought Mr. Warner was going to ask this question but he did not. What kind of replacement and maintenance budget do you have as a percentage of your overall budget?

Mr. Barber: That is pretty much determined on an annual basis. We always submit a much larger budget than gets through the Metro budget committee.

Mrs. Marland: It is an as needs, annually.

Mr. Barber: Yes. Our needs now far exceed anything we might expect to get, simply because nothing sufficient has been done for some years. Quite obviously, the sum total of the need keeps growing.

Mrs. Marland: Does the Royal Winter Fair, for example, turn over money to Metro?

Mr. Barber: No.

Mrs. Marland: They do not make any--

Mr. Barber: They have a little different arrangement. They rent those buildings from the board of governors. Prior to the formation of the board of governors, they rented them from the CNEA who ran the entire facility. It is a rather interesting thing. They have never paid any rent.

Mrs. Marland: They have not?

Mr. Barber: They have never paid rent.

Mr. Richman: Prior to this year, the arrangement with the Royal Winter Fair dated back about 20 years, when there were major renovations in the coliseum complex. The agreement at that time was that the complex would be turned over to the Royal Winter Fair some time around the middle of October and they would have it until after their show, which, by the time they completed the move out and all that, was around the end of November.

They were to leave it in the same condition they found it. As a result, there was no rent to be paid. In effect, they took over the building, ran it during that time and then turned it back to the CNEA.

Mrs. Marland: They are still doing that then? There is still no rent from them?

Mr. Richman: The lease or agreement expired at the end of last year's Royal Winter Fair and there is not yet a new agreement constructed for 1985 and future years.

Mrs. Marland: However, what you are saying is they have never paid rent.

Mr. Richman: That is right.

Mrs. Marland: So for their period of two weeks or whatever, their operating budget and any income they get is for their own disbursements, which would obviously include cleanup. That is interesting. Are there any other activities in the grounds, such as the automotive show, that do not pay rent?

Mr. Richman: The Toronto Historical Board has the marine museum on our grounds. My understanding is it owns the building and, while it is on the grounds, it does not pay any rent. In addition to that, we also provide free parking for its patrons in our paid parking lots.

Mrs. Marland: Would that be when you are open?

Mr. Richman: Yes, but not during the CNE, the 20 days of the fair. During the rest of the year we operate the parking lot.

I would point out also in regard to the CNEA, the arrangement until 1983 was that it was to pay its surplus to Metro as rent each year. In the event the CNEA had a deficit, and Mrs. Hughes reminds me there was one in 1967, the CNEA was obligated to raise the money to offset it out of its future profits. So the deficit was not picked up by Metro. The CNEA had to cover it if it made profits in future years. We had to borrow money from the bank to finance the deficit that year.

In 1983, when the board of governors was created, a new series of agreements was put into effect. The old agreement between the CNEA and the municipality was cancelled. There is an

agreement between Metro and the board of governors that Metro would pick up any deficit and take any surplus, since it is a local board.

Another agreement was set up between the CNEA and the board of governors. That agreement to some extent mirrors the Metro one, in that the CNEA is obligated to pay over its surplus as rent. However, in the event the CNEA has a deficit, the board of governors will pick it up.

Mrs. Marland: Why do you think the Royal Winter Fair does not pay rent?

Mr. Charney: I know the answer to that. I am solicitor for the CNE. An agreement was struck some 20 years ago between the federal and provincial governments, the Royal Winter Fair and the CNEA, whereby the coliseum would be refurbished on joint contributions by the three levels of government. As part of the deal, the Royal Winter Fair would not pay rent for a 20-year period and Metropolitan Toronto would pay its utility bills, which has happened for the past 20 years.

Mrs. Marland: Really. You are going to be sitting with bated breath waiting to see what happens this year then.

Mr. Charney: We are negotiating a new agreement with them, but it is not going well.

Mr. Barber: Just so we understand, let me restate that three of the people here are employees of the board of governors. I am the only purely CNEA representative; so they are speaking on behalf of the board of governors when they are talking about negotiating these rents.

11:30 a.m.

Mrs. Marland: I am glad you mentioned that. Just to understand clearly, when you describe the association members as anyone who uses the facility, approximately how many CNEA members would there be?

Mr. Richman: The CNEA is divided into four sections. There is the manufacturing and industry section, the agriculture section, the general and liberal arts section and the municipal section which, by the way, includes the representative from Ontario Place.

Each section is permitted no more than 44 members to the association, so there is a maximum of 176. Mrs. Hughes informs me there are approximately 160 at present. There are some vacancies. From that group they elect the board of directors of the CNEA.

Mrs. Marland: And the board of directors elects the president. Is that right? Okay.

If I were a hog producer and an exhibitor at the time of the exhibition, am I eligible to be a representative of one of those four groups?

Mr. Richman: I would point out that from three groups, excluding the municipal section, there are 61 organizations that have the word "Canada" in their titles, 14 that have the word "Ontario" and seven that have the word "Toronto".

Mrs. Marland: You are saying I would have to be a member of one of those organizations?

Mr. Richman: That is right.

Mrs. Marland: That is what I wanted to know. I sit here with a tremendous amount of concern, having reviewed as a member of this committee the Metropolitan Toronto Convention Centre, which we did two or three weeks ago.

As a former member of a municipal government, I assume municipalities that have marvellous facilities generally have to make quite a substantial investment in those facilities themselves. I expected at least half of the \$78 million to \$80 million cost of the Metropolitan Toronto Convention Centre would have been funded by Metro. I now know it was funded \$12 million by Metro, \$39 million by the province and the balance by the feds.

That gives me a lot of concern when I contemplate 350 acres sitting on the CNE site, knowing the kind of facility that could have been built there. It is always easy to look back, but we are told by the Metro convention centre people that their facility, which has been open a mere 10 months, is too small. They are dependent on expansion in order to do what their implementation was planned for. They were designed to be the convention centre that would compete with New York and Chicago and the world as that kind of convention facility.

As it evolved and the budget got higher, I am sure the people who were making the decisions were saying, "We cannot spend that much, so we will cut it back." They have ended up with an undersized facility which is a farce in terms of a business decision. You have to bite the bullet and spend that amount of money, but if you are not going to accomplish the goal without spending that amount of money, then do not do it.

When discussing your 350 acres today, in terms of your representing us, of course, I think, "My goodness, is that not interesting?" The Metro convention centre is saying, "We need the domed stadium close to us so we can use its facilities or we are going to have to buy more land to the north", or wherever it can find land to expand to.

Yet the whole thing, as I see it in retrospect, could have been a project on your lands, the convention centre as well as the domed stadium. It is publicly owned land and that is what kills me--the 350 acres there owned by Metro Toronto. I should make it clear, of course, that I have mixed feelings about the domed stadium, but I am not supporting--

Mr. Chairman: That is going against the previous administration here.

Mrs. Marland: So be it. As I have said, I am not here to be shackled to a previous administration of anything. I am here to make my own statements.

Interjections.

Mrs. Marland: I wish you would not interrupt, Mr. Chairman.

I am only supportive of a domed stadium if it does not cost the taxpayers any money; otherwise, we do not need a domed stadium. We do not need the luxury of a domed stadium when we cannot provide the necessities of survival for people in this province.

Having said that, if the domed stadium is not going to be a privately funded project, as the Mississauga one was, if it is going to be in Toronto, it would be very logical to put it on publicly owned land, even for a start, and logical to have had it in combination with a convention centre also on publicly owned land.

However, the convention centre is there. It is 10 months old, undersized, not able to do the job it was designed for, and here we are today looking at your facility. To me, it is a resource there which, obviously, needs some very radical changes made with respect to planning on the part of Metro. I do not know how strong our influence as a committee in making our report can be. Since we are not the landlords of either the buildings or the property, I realize we are somewhat limited.

However, I feel very strongly that that resource of the CNE should be utilized and should not be allowed to deteriorate because of the fact that there is not the money for it, even though they have a \$3-million surplus this year. I would see a \$3-million surplus going quite a long way to rehabilitate some part of some building on a progression basis.

I do not understand. I guess Metro does not receive any taxes from that operation, so maybe they look at the surplus as a return in form of taxes. I can recognize that Metro, or I suppose it is actually the city of Toronto, is providing fire and police protection for those grounds. If they are not paying taxes, maybe the \$3 million is a compensation for some of the expense of protection of those grounds with fire service and police service.

Does it come under the city of Toronto? Does the CNE pay property taxes?

Mr. Barber: We pay taxes. I think the total was \$500,000 last year.

Mrs. Marland: So you do pay taxes?

Mr. Barber: Some, yes.

Mr. Richman: That is right.

Mr. Barber: To Metro.

Mrs. Marland: Or to the city of Toronto?

Mr. Barber: Pardon me, to the city of Toronto.

Mrs. Marland: It would be to the city of Toronto. So then you are providing your own police and fire protection through the taxes that you are paying. Therefore, the \$3-million surplus you are giving to Metro is really not for anything.

Mr. Warner: It pays for studies.

Mr. Richman: It is a local board. The board of governors is exempt from realty taxes except where it leases its property to commercial concerns.

Mrs. Marland: Right.

Mr. Richman: As a result of that, we were obligated to pay realty taxes on those portions which we leased out to the Blue Jays, to the Toronto Argos and to certain restaurants that operate on a year-round basis. The total sum was somewhat in excess of \$500,000.

11:40 a.m.

Most of the contracts for those leases that were signed were signed prior to the creation of the board of governors and, as a result, did not have any clause in them that related to realty taxes. Therefore, the board of governors was responsible for paying the realty taxes to the city of Toronto, but it could not collect them all back from the tenants.

Mrs. Marland: Mr. Barber, I think you said Exhibition Place has 600,000 square feet, or maybe it was Mr. Charney who said that. I look at that amount of space and get back to the Metro convention centre. You said they are entirely different things--a trade centre and a convention centre. I did not understand that three weeks ago, but I understand it very clearly today because of what people told us about the Metro convention centre. It is becoming a trade centre because it is not the facility it needed to be to be a convention centre.

I know you made the statement about the domed stadium, but do you think it is too late to look at an ambitious development in conjunction with the dome proposal on your land?

Mr. Barber: No, I do not think it is too late. I might point one thing out because I think this is really what your remarks are leading up to. By placing a convention centre in downtown Toronto and by enlarging or not, as the case may be, and by placing a dome beside it, in effect, we are setting up competition for an already publicly owned facility. The winners under those conditions are going to be the trade show people.

Right now they have three choices; before they had two. They had an international centre out at the airport and they had the

Canadian National Exhibition grounds. Now they have whatever is available at the convention centre as well. When the domed stadium goes in, that becomes a facility that can be utilized in the same fashion. It does not seem to make a lot of good sense to do that.

Mrs. Marland: It sure does not.

Mr. Barber: We are still of a firm opinion about the place for a stadium. I do not know whether a dome is the right thing or not. I do not think we have all that terrible a stadium where we are. For the crowds we are drawing, it is in terrible shape. There are such mundane things as washrooms, of which there are really not enough there, and there is also some terrible seating because we really have not made a circle out of it. But there is nothing at that stadium which could not be changed to accomplish that, other than the fact that one could hardly put a roof on it.

Mrs. Marland: But you could increase the seating?

Mr. Barber: You could put a second deck on it.

Mrs. Marland: Yes.

Mr. Barber: Sure. You can increase the seating very substantially at a heck of a lot less money.

Mrs. Marland: Right.

Mr. Barber: And it is in the plan. There is an alternative method of providing the kind of seating that our sports teams, particularly the Blue Jays, appear to require. Right now anybody who buys a seat beyond about 26,000, which I believe is what they talked about, is really not getting much value for his money. The seating is pretty punky, but it does not have to be.

Mrs. Marland: I am not supportive of a domed stadium being located in Toronto, but if a domed stadium is to be located in Toronto, I am totally opposed to buying more land for that to happen when there is already publicly owned land. If, as part of that, we would end up with a rejuvenation and refurbishing, and perhaps building new buildings as part of the CNE, the total project would be beneficial to both the CNE and to the public or whoever is going to make a decision that there will be a domed stadium.

I see that as a good utilization of these 350 publicly owned acres. If the cost were appreciably lowered because it was part of that project, the side benefit to the CNE would be there with respect to the upgrading it is looking for to its existing buildings. From what I have heard this morning, it is not necessarily even upgrading; it is just sheer maintenance of some of those buildings so that they can even function.

Those are all my questions at this time.

Mr. Treleaven: Mr. Barber, carrying on a little with that topic, I take it the \$3-million profit in 1984 and the more than \$3 million this year is only an operating profit.

Mr. Barber: That is right.

Mr. Treleaven: Apropos of a previous question, you mentioned putting in a budget for repairs, maintenance or replacement. I understand you have no capacity to retain any funds for capital.

Mr. Barber: No.

Mr. Treleaven: Have you asked Metropolitan Toronto for money to repair and replace buildings? I think the chairman mentioned the music building, the one to the west of the theatre, and the Carlsberg pavilion. Have you asked for money to repair, renovate or replace those buildings?

Mr. Barber: Yes, we have, and we will be doing so again this year.

Mr. Treleaven: Obviously, not much money has been spent on those, if anything. It is not in your approved budget; is that what you are saying?

Mr. Barber: That is correct. We get some capital, and the use of the capital is on a best-return basis. We spend it where we feel we can get some kind of financial return on that capital. The needs around the grounds are so great that we have not had enough capital to go ahead and do something such as the music building. We will be asking specifically for capital for the music building again this year when our budgets are prepared.

I guess this might be called dirty pool in a sense, but we put a sign on the place that read, "Unfit for Public Occupancy." We were asked by Metro to take that down--that was a little brutal--which we did. However, we still put up a sign saying, "Closed."

Mr. Treleaven: With the past in mind, are you optimistic about getting any money for capital in 1986 for the two buildings I mentioned?

Mr. Barber: We are not optimistic. I suppose we never give up trying. It is an election year; I do not know whether it will be tough or easy to get money when that is over. I guess it depends whom we have to present our budgets to and the makeup of the committee. We know the committee it goes to.

Mr. Treleaven: You mentioned that you thought the best disposal of the CNE grounds would be to the province, if you had your druthers. In rural Ontario, the CNE is known is by various names such as the Ex and the CNE. It is also known as the Toronto fair, the same as the Western Fair is known as the London fair. Why should the province take Metro Toronto off the hook and take over the liabilities, etc., of the Toronto fair without doing the same for the London fair, the Woodstock fair, the Norwich fair, etc.?

Mr. McClellan: You should answer that question yourself.

Mr. Treleaven: I would like to hear his answer. I could answer it easily.

Interjection: It is the centre of the world; you know that.

Mr. Morin: You had 42 years to think about it.

Interjection: Unkind remarks.

Interjections.

Mr. Barber: There are obviously a great many answers to that question. Perhaps I might answer in this way: With the Ex, CNE or Toronto Fair, you are talking about the largest annual fair on the North American continent.

Mr. Newman: That is what other centres say about their fairs.

Mr. Barber: I do not believe so.

Mr. Warner: This one is.

11:50 a.m.

Mr. Barber: This one is. The next largest is Texas; they were up last week. Mr. Richman tells me they even fudge their numbers, which we do not, by the way; we should, but we do not. They told me their attendance this past year was 2.1 million. Ours was just shy of 2.3 million without any fudging. That in itself says something. We are not larger by a lot, but we still are larger. That, and the fact that we draw as many as we do, show we are obviously drawing from many areas other than Toronto. The type of fair we put on is quite different from those in London and Ottawa, mainly because of size.

I am not sure I would agree with the way in which you posed the question, in other words, "We should bail this one out." Frankly, I would see it as an opportunity.

Mr. Treleaven: May I suggest to you that by those figures you draw a bit more than 100,000 per day for your fair; the Woodstock fair draws 15,000 per day for its four-day fair or whatever, and the Western fair is somewhere in between. They own their own grounds and live or die with their dollars; they close down or whatever. People obviously come a long way to the Western fair, as they do for the CNE. I do not see--the jobs are basically here in Toronto--any rationale for the CNE getting special attention because it is in Toronto.

Mr. Barber: Nor would I, simply because it is in Toronto. If the province became involved--and I assume that is what you are thinking at the moment--I do not think its involvement would be to rescue or do something else with the CNE per se, because the CNE is simply a tenant in a much larger facility.

What you are looking at is, in probably the major city of the province, the development of a 350-acre site, part of which you have already developed. You have a fair development sitting there.

Mr. Treleaven: Somebody said, "We do not all want to be shackled to the errors of the past."

Mr. Barber: It is a question whether that is an error. Frankly, I do not think it is. I realize it loses money, but I also realize there has been no particular mandate to them to make money. I am not sure that is terribly wrong if the object is to provide a facility for the people of the province to enjoy. That is your mandate.

If you were to say to management, "We can afford to lose so much money, but we do not want anybody leaving the place feeling they did not have a good time or get good value," that is what you are doing at Ontario Place. The only thing terribly wrong with that is that economies of scale indicate that despite the mandate, it does not necessarily have to lose money.

The development of Exhibition Place in its totality can make money. I do not care whether it is set up as a crown corporation. It has to be managed differently from the way it is; I do not think anybody is going to fuss over that.

For instance, the Currie, Coopers and Lybrand study, which is the one we originally used to propose the domed stadium, made a couple of interesting comments. It said that if a domed stadium were located at Exhibition Place, it would become quite viable, perhaps only if associated with a trade centre facility of 750,000 to one million square feet. You are not going to do that on railway lands in downtown Toronto, period.

If that study is worth anything--perhaps I should not get into this because it is a political issue--

Mr. Chairman: This stadium has already been to Mississauga and it is on its way to Woodstock; I can see that.

Mr. Barber: The fact of the matter is that if we believe the study is any good--and we paid a lot of money for to have that study done; we did not, but Metro did, and the province participated in it financially--then why go ahead trying to develop something that cannot possibly fit the parameters of the site? Does Exhibition Place fit all of that? Yes, it does.

That study, if you read it carefully, suggests that once developed, that facility will indeed be a profit centre, with or without a domed stadium. It is worthy of consideration by the province on that basis alone. The province should look at it rather than Metro because--and I am speaking personally at this time but with some experience--I do not think it will ever be developed as long as Metro owns it simply because it is away beyond Metro's tax base. They would never be able to get it through. Let us be honest about it.

Mr. Mancini: Does not Metro have half the tax base of the general population of Ontario?

Mr. Barber: I do not know. You would know that better than I do.

Someone ought to develop it. It is sitting there, it is public property and it ought to be developed. It has the potential of being a valuable resource. I do not know who can do it. Most certainly I do not think Metro can do it, and I do not want to keep repeating myself, but that is our thinking. We do not think Metro can do it; so we are saying if it is going to be developed, then the province should look at it anyway and say, "Well, we think we can develop it," or "We cannot."

Mr. Richman: I do not think it should be looked at as a competitor, if you will, with the Ottawa and Western fairs. In effect, what we are saying is that the trade centre concept should be developed because it will benefit Ontario industry principally.

If a trade centre were developed on that site, a side benefit to the CNE would be that during the fair you would have prime exhibit space that was air-conditioned. This would ensure a much better response from the public than coming down on a hot, humid day to buildings that are not air-conditioned and having to exist in those types of buildings. But that is a side benefit to the CNE. The major benefit is to the industry that is in Ontario which would use it as a trade centre.

Mr. Treleaven: Unfortunately, around this place each time Toronto wants something and thinks it is good for it, we hear the argument that it is good for Ontario. We hear that constantly. Toronto never gets anything that it wants from the feds or the province without trotting out the argument that it is also good for Ontario.

Mr. Barber: Would you deny that?

Mr. Treleaven: In a lot of cases I would deny it, yes. What is good for Toronto is not necessarily always good for the rest of Ontario.

Mr. Charney: But in the case of trade centres, it is not possible to have it anywhere else but in Toronto because it would not be viable. If you are going to have a world-class trade centre, it has to be in Toronto, and the only place it can be is at Exhibition Place. The convention centre cannot turn itself into a world-class trade centre with or without a dome.

Mr. Treleaven: I cannot disagree with you there, but I think Toronto should have the bill as well as the receipts.

Mr. Newman: You have two million people living within an hour's drive of the city of Windsor. Why should Windsor not be asking for the same consideration you are asking for Toronto?

Mr. Barber: I suppose primarily because they do not have 350 acres of partially developed land that they already own,

sitting there begging to be completed. I do not know that I could argue successfully whether it should be Toronto, Windsor, Ottawa or some other place. Each centre could present strong arguments of its own.

What we are saying is that we already have this facility here; it is owned by the public. If I am a resident of Toronto or Mississauga, I like to think I am also a citizen of Ontario.

Mr. Treleaven: I do not think most people in Toronto feel that way.

Mr. Barber: I think that is just an opinion. I should not be at all surprised.

Mr. Chairman: He always brings his passport when he comes in from Woodstock.

Mr. Morin: Mr. Barber, I think it would be an understatement to say that you are not totally dedicated. I can sense that. You are very dedicated to the CNE.

Mr. Barber: Yes.

Mr. Morin: I am sure you also have visions of what you would like to see the CNE become. Have you ever attached a price tag to all your dreams?

Mr. Barber: I think what I will do is not answer that question.

Let me suggest this to you. You are aware that we are looking into a world's fair. I have to answer your question in this fashion. That study into a world's fair is being financed by the province jointly with us. If we saw it as a viable possibility for that location, anything that was built would be built with the end objective of arriving at a usable facility whenever the world's fair was being held. International as it is, any world's fair has to be requested of the international body. It would probably be in the year 2000 or some time like that before we could even get one; so we have a few years of planning and building.

The difference between our possibility of a world's fair and some of the others--let us talk about Vancouver for the moment. Vancouver's objective in building a world's fair was to do something with a rather sad waterfront. If they manage to get that paid for, even at 50 cents on the dollar, they have a bargain. That might well be what will happen; I do not know. There is a lot of question as to whether it would be in it of itself (inaudible). It probably would not be.

In our case we do not have that problem. That work has already been done. The land is already owned. Some buildings are there in good shape and can be used; some need fixing up and others will have to be added. You add what you want to have for a world trade centre complex when you are all through.

You make your deals with the various foreign countries that come in to put up buildings that can be taken down, as was done in Montreal. They did not take them down, but that was the deal. The countries would have had to take them down if they had been so asked. What we would do would be to plan our grounds and build permanently what we want to retain and let somebody else take down those we do not want so that when it is all cleaned up and the fair is over, you have a world-class trade centre sitting there.

What would it cost us? I do not know. If a world's fair were the means to go ahead and do that, it could very well cost us practically nothing.

Mr. Morin: Because in time you would be self-sufficient.

Mr. Barber: That is it.

Mr. Morin: And there are the ripple effects. I agree with you that an institution that has been in existence for 107 years should not disappear all of a sudden. Every effort should be made to maintain it and improve it.

I also agree with you that it is not only Toronto that benefits from it but also all of us in the province. I have been coming to the CNE for close to 40 years.

Mr. Barber: Good for you.

Mr. Morin: I would hate like mad to see it disappear.

Mr. Barber: There is a bunch of us down there who feel as you do. I do not think we are going to let it disappear.

The Acting Chairman (Mr. Mancini): Thank you, Mr. Morin. Are there any questions from any other member of the committee? If not, I would like to thank you for appearing before our committee. In the next few days if you feel there is something else you would like to tell us, please feel free to draft a letter and send it to the committee and we will consider it as part of our report.

Once again, thank you for coming. We appreciated your straightforward comments.

The committee recessed at 12:04 p.m.

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STANDING COMMITTEE ON PROCEDURAL AFFAIRS AND AGENCIES, BOARDS
AND COMMISSIONS

TELEVISION IN THE LEGISLATURE

TUESDAY, SEPTEMBER 17, 1985

Afternoon sitting



STANDING COMMITTEE ON PROCEDURAL AFFAIRS AND AGENCIES,
BOARDS AND COMMISSIONS

CHAIRMAN: Breaugh, M. J. (Oshawa NDP)
VICE-CHAIRMAN: Mancini, R. (Essex South L)
Bossy, M. L. (Chatham-Kent L)
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McCaffrey, R. B. (Armourdale PC)
McClellan, R. A. (Bellwoods NDP)
Morin, G. E., (Carleton East L)
Newman, B. (Windsor-Walkerville L)
Sterling, N. W. (Carleton-Grenville PC)
Treleaven, R. L., (Oxford PC)
Warner, D. W. (Scarborough-Ellesmere NDP)

Clerk: Forsyth, S.
Assistant Clerk: Decker, T.

Staff:
Eichmanis, J., Research Officer, Legislative Research Service

Witnesses:

From the Ontario Telecommunications Association:
Lansdell, E., Chairman, Government Relations Committee; General
Manager, Lindsay Cable TV
Rogers, W. R., Member; President, Canadian Operations, Rogers
Cablesystems Ltd.
Smith, L. B., Member; President, Cablenet Ltd.
Stinson, A., Executive Director

LEGISLATIVE ASSEMBLY OF ONTARIO

STANDING COMMITTEE ON PROCEDURAL AFFAIRS AND
AGENCIES, BOARDS AND COMMISSIONS

Tuesday, September 17, 1985

The committee resumed at 2:14 p.m. in room 228.

TELEVISION IN LEGISLATURE
(continued)

Mr. Chairman: I see a quorum. We have representatives of the Ontario Cable Telecommunications Association. Mr. Rogers is the president of Canadian Cable Systems, Mr. Smith is the vice-president of Cablenet, Eric Lansdell is the secretary and general manager of Lindsay Cable TV and Arnold Stinson is executive director of Ontario Cable Telecommunications Association.

I assume you are here to talk about televising the proceedings. In particular, you may be able to help us a little bit on one area of discussion we had around distribution and what use cable systems might make of televised proceedings. We would be very interested in hearing what you have to say initially and then we will take some time this afternoon to have members of the committee discuss this. It is still very much on the committee's agenda. We have tabled our first report on the matter and are now beginning to get into the implementation phase.

I assume one of you has an opening statement and then we can get started.

ONTARIO CABLE TELECOMMUNICATIONS ASSOCIATION

Mr. Lansdell: My name is Eric Lansdell and I am chairman of the government relations committee, the group that looks into matters connected with the provincial government. Let me further identify those of us here in case the names were not clear. On my far right is William R. Rogers from Rogers Cable. To my right is Arnold Stinson from OCTA. To my left is Larry Smith from Cablenet.

We have come this afternoon to find out a little more about the expectations of your committee. We have read with interest your report that suggests a system be established very quickly to televise the proceedings of the Legislature to as many people in Ontario as can be accomplished. However, we find ourselves in a position where we are not clear what part cable will play in this distribution and origination process.

We, too, came with questions this afternoon and we hope we can exchange them and get a bit of clarification so we know ourselves the direction in which we want to proceed with this. That is all I will say at this point. I will turn it back to you, Mr. Chairman, for any agenda you may have.

Mr. Chairman: To get us off and running, I think the committee would be happy to admit to you that when we got to the distribution part of the process we did not have a great deal of

information. We have lots of questions about how many cable systems would be interested, what technical problems they might have, when they would use it, how they would use it and a lot of things of that nature.

Our first report was essentially to set the tone of how the proceedings would be televised and, in fairness, to give a message that we are anxious to begin the process. We know there are problems to be overcome. We know that another committee of the House, the Board of Internal Economy, has a little more direct jurisdiction and will assume the function of actually hiring staff. It has done that and will begin to do technical studies. They are in the process of beginning that, but they too will sooner or later come up against the distribution problem, which is precisely where our concerns come in.

In our report we tried to establish the principle that everyone should get equal access to the system. For example, we would not be in favour of setting up a system that gave Toronto cable stations an advantage over stations in northern Ontario or rural Ontario.

We are intrigued by some technical advice we got, which we did not really understand, as to how one might get to areas that are not in a cable system. In Saskatchewan, we were intrigued that the whole process had to wait a while until there actually was a cable network.

We will obviously be reporting further to the board with some comments, if not a report, about what might actually be done with distribution. As individual members, we will at some point have an opportunity to be a little more thorough about distribution.

That is where the committee is now. Perhaps you could respond in part to some of those things, such as whether you would use it.

Mr. Lansdell: I will take this opportunity to lead off. It is a given that the cable industry would be quite willing to look at the signals and provide them to as many people as it is capable of reaching. However, in a letter to Smirle Forsyth, the clerk of the committee--maybe I could review some statistics. We do not reach the whole province. Cable is basically an urban phenomenon and as such would leave rural constituents and others out of distribution.

There are about 2.2 million cable homes in Ontario and approximately 65 per cent of them have converters. Perhaps I can put a question forward at this point: Is everyone familiar with a converter, what it does and how it fits into the cable industry?

Mr. Treleaven: No, I am not. That is my question.

Mr. Chairman: Some are from Oxford county and--

Mr. Treleaven: As soon as I got the floor, I was going to ask you to lead the people from the boonies--

Mr. McClellan: You have seen TV.

Mr. Treleaven: In colour only. Go ahead and answer the chairman's question. Then I am going to ask you to go back and lead us through the alternative methods of getting the picture from the chamber to my constituents' homes.

2:20 p.m.

Interjections.

Mr. Chairman: Mr. Morin says you need electricity first. Do we have to explain that to you?

Mr. Treleaven: No.

Mr. Chairman: You had better explain what a converter is.

Mr. Lansdell: Maybe I should ask a loaded question. How many people here are cable subscribers? Several, I gather.

Mr. Treleaven: There is satellite as well as cable. I was going to go further and ask you how many alternative methods we have of getting it out, the numbers it is going to get out to, the costs and some technical stuff. Lead us through as if we are still in the dog team era.

Mr. Rogers: Perhaps we can lead you through part of that discussion at this point.

The 2.2 million subscribers we serve in Ontario are actually served by 123 separate cable television systems. All these systems receive their signals through one of a very few methods, either off air from a broadcast station, which is the normal and traditional means, or off a satellite, which can be either a national program that is broadcast or a pay television service.

The content does not matter. It could be the same programming that is watched by a stand-alone householder satellite. I am sure every one of you has home owners in your riding with a satellite installation. We can receive by direct line a variety of signals, be it by microwave or physical cable line, or we can originate them by a tape playback ourselves.

We put the signals on the channels we have available, which vary from 12 in a small system up to 35 or 40 in the very largest systems. That is a function of the capital investment in the plant and maybe the age of the system. The newer systems are all built with much greater channel capacity. The signals are distributed to households on the cable system, either in the basic 12 channels--what you would call channels 2 to 13 on your television set if you have the old rotary tuner--or through a converter from channel 2 to channel 35 or 36 or wherever.

Channels 2 to 13 are all that can be distributed on a cable system without the use of a converter. During the past 10 to 12 years, there have been many converters sold in Ontario. Our

estimates show that 65 per cent of the cabled homes in Ontario use a converter. In the centres such as Toronto where converter service has been around for 10 years or more, pretty close to 90 per cent of the homes have a converter on at least one of the television sets.

We are also looking at more television sets in the home every year, so we suspect there is still a black and white set in the basement somewhere that probably does not have a converter on it yet, but in Toronto and in most of the metropolitan areas where the converter service has been long established, there is very good penetration.

The problem on that one comes when you get into an area where either the converter service is very new or there is nothing there at all. The first channels that go into that service have to be of fairly high value to the subscribers to justify their purchase of a converter, which is available at the discount low end of the market for \$39 and at the high end of the market for \$149, or something like that.

New television sets almost invariably include a converter today, or a new videocassette recorder can be rigged up with a converter built in to feed through the set. Finding out the exact number of converters is a very difficult thing because of the built-ins and everything else, but we can safely say that 65 per cent of our subscribers have them and the number is growing every year.

As far as how cable companies can receive the signal is concerned, I have given you the basic four options. All can use satellite, all can use over the air, but not everybody is in line to take a microwave signal, or a physical land line feed as we would call it. That would only work in the metropolitan areas. To distribute to a small centre in the north, the only practical means is a microwave feed to the system. They would pick it up and then put it in, if they had room, which is a point we would like to address later.

That is basically the structure, starting with a distribution to the head end of the cable company and then they would feed it out, either in the 2 to 12 band, or much more likely in the mid-band, the superband, the channels above 13 on your tuner.

Does that help?

Mr. Treleaven: That helps.

Mr. Rogers: Perhaps we could address specific questions.

Mr. Treleaven: No, I jumped in on Mike.

Mr. Chairman: We are still wrestling here with the fact that we have had three proposals put to us.

One is to make these cassettes for a feed available to a group like yours, for example, then to say: "The distribution to

cable systems around Ontario is your business. If you want to spend a lot of money on it, fine. If you want to make it available to those who can received the signal, fine. That is your business."

The second concept that has been touted is that TVOntario has the capacity, although it does not yet have the licence, to put a live broadcast out, which would hit pretty close to all Ontario. That has been discussed. You could pick up that live broadcast and put it through your system any way you want to.

A third possibility is, either by means of renting time with somebody else's facility or by putting up your own, to put a direct satellite uplink from here, buy or rent equipment and put the signal up in the air, and anybody who can bring that signal down is welcome to use it.

It could be a home satellite system or it could be a local cable system. We are aware that in some parts of Ontario there are local improvisations on home satellite systems. By whatever means you could bring the signal down, what we do is put it up in the air. We have seen cost estimates ranging up to half a million dollars a year to put it over to a Bell centre line, to buy some equipment for a million bucks and put it up yourself.

From our point of view, we are very interested in having you, as cable operators, get a signal. We would like to know what your preferred means would be. Which would give you better quality pictures to put through a cable system? What makes sense to you for us even to consider?

Mr. Lansdell: Could I suggest at this point we talk about the Bell situation?

Mr. Chairman: All right.

Mr. Lansdell: The Bell situation is one we can dismiss right away. I understood you to say that it was proposed as a viable means of getting signals to cable companies. That is not so. Bell does carry television signals, but they are primarily national networks, by microwave, coast to coast. They do not have feeds to most cable companies, although there may be one or two exceptions. We would not, in many cable companies, be able to take a signal from Bell without a lot of reconstruction and reconfiguration in conjunction with Bell.

Mr. Chairman: Let me stop you there for a minute. You are saying a signal through the Bell centre would be useless to most cable companies. Is that right?

Mr. Lansdell: Yes.

Mr. Chairman: That is good information because, to be fair, the people before us on another occasion were not operators of cable systems. They were saying that is the simplest, the easiest, the quickest and cheapest way to do it. It may well be from their point of view, but if it does not serve a lot of other people, that is an option we will look at in a different light.

Mr. Treleaven: Could I just dig in? You said you would have to set up some configurations. How extensive are the configurations that would have to be set up with the small cable systems out there?

Mr. Lansdell: Oh, goodness.

Mr. Treleaven: Impractically expensive?

Mr. Lansdell: Totally. The Bell network goes where there are TV stations and most small communities have no TV stations, so Bell would not even be nearby, let alone be able to connect it to any cable company, if that helps.

Mr. Treleaven: Yes.

Mr. Newman: Could the public use their lines without their permission?

Mr. Lansdell: Our signals are not compatible with their wires and the Bell television network does not use copper pairs. It is a dedicated network for television only, specially constructed.

Mr. Chairman: Where we are in difficulty, obviously, is that there are a lot of technical aspects to this of which we have no knowledge at all. We need others to tell us. If the Bell centre satisfies national network needs but does not satisfy people in Oompah, we have a problem. Our job is to try to get the signal in some form to those people. What would be your preferred option of those three I outlined?

2:30 p.m.

Mr. Rogers: I think satellite is the only practical option. Indeed, satellite distribution would probably be part of the TVOntario option as well. TVO currently uses a satellite feed to service its remote transmitters, and that feed can be received by any home satellite network, cable company or anything else as well. It is there for the taking. If it were to put up a second signal to carry this service, it would probably be handled exactly the same. Whether or not TVO chose to rebroadcast, the very fact that it put it up there would make it available to a cable company.

Whether or not the cable companies in the small centres would be ready, willing and able to carry these signals is a real question. It is one we do not know the answer to completely. We do know approximately 50 per cent of the cable companies in Ontario have elected to carry the federal parliamentary broadcast and the other 50 per cent have not. The 50 per cent that carry it probably cover 75 per cent of the households, but it is the small systems that have not found it justified to put in a separate receiver situation for Parliament.

It may not be cost-justified on the basis that their community is not terribly interested in Ottawa, which is a phenomenon we are all familiar with. It may simply be that they do

not have room on the cable system. They may have 12-channel systems, have 12 off-air signals already and simply do not have room to add any more. There most certainly would not be universal coverage simply by making it available to cable systems.

Mr. Chairman: Would you have any actual numbers on that? What cable systems could, and which now do, cover the federal Parliament?

Mr. Rogers: I do not. I do not believe Ontario Cable Telecommunications Association has and I am not certain that the Canadian Cable Television Association has either. Perhaps the Canadian Radio-television and Telecommunications Commission would be the only body that would actually have gathered all that. It is certainly something that could be found out without too much difficulty, but I do not think the question has been asked.

Mr. Chairman: That would be very useful for us. The CRTC would be the only agency which would be keeping records of exactly what is put out on a local cable system, is that right? You do not do that?

Mr. Rogers: All cable systems file a return on November 30 of each year, which includes in it a listing of all the channels they carry. Of course, each of those is separately authorized by the CRTC as well. From these returns and/or from their authorizations, they should be able to compile that data. I have just no idea whether they have actually gone through and counted them. That is all.

Mr. Chairman: Is it a major expenditure for a small cable system to bring down a signal from a satellite?

Mr. Rogers: Yes, it is significant. Eric actually--

Mr. Chairman: Can anybody ball-park what the figures might be?

Mr. Lansdell: As a small system manager, I would say it depends on how you define small. I have done some figures which looked at about a \$13,000-investment. It could be higher and it could be a little bit lower. It depends on what facilities are already in use at the cable company. In other words, if they are taking things from that satellite already, then the dish would obviously be there and costs could be somewhat lower.

On the other hand, if we are talking about a part-time program with other programming that we are not to carry on the cable system, we have to have automatic gear to cut off at the end of the Legislature session so that it does not get distributed, so that the other programming does not go out the same way as the Legislature did. There are things to add and subtract.

If you look at a system with 3,000 subscribers, as a rough ball-park figure, it would cost about 25 cents per month per subscriber to install something like that. So the rate at cost would have to go up by that much just to take on one additional channel.

Mr. Chairman: Again, do we have any way of identifying actual numbers of how many cable systems would be in that position?

Mr. Smith: I think one thing we can do, apart from giving you exactly that number, is to give you the number of systems that, if they all had capacity, could carry the signal. I think our calculations show you would get to about 40 per cent of the homes in Ontario, if every single one of them could carry it. Now we do not think that is the case, and it is not going to be the case. They are not all going to be able to carry it.

You get through that step-down thing I was just explaining to you before the meeting began. There are approximately 3.5 million homes, I believe, in Ontario, of which we have 2.2 million as our basic cable subscribers. Of that number, about 65 per cent have converters, so you step down in the number again. That is about 1.4 million or so, and that is the group you are talking about. It is the fraction that that has to the total homes in Ontario, about 40 per cent.

If we assume, just for conversation's sake, that half of the systems could carry a Legislature channel, then we are talking about 20 per cent of the homes in Ontario on cable. It quickly waters down.

Mr. Chairman: Very rapidly.

Mr. Smith: Yes. If you are taking--

Mr. Treleaven: That is 700,000 homes then.

Mr. Smith: No. I think it would be about--I am trying to do 65 per cent of 2.2 million.

Mr. Treleaven: Twenty per cent of 3.3 million?

Mr. Smith: You go from about 3.5 million homes in Ontario back to our 2.2 million subscribers, which is our penetration of the cable.

Mr. Treleaven: Down to 60 per cent.

Mr. Smith: Then you say about 65 per cent of those have converters and this is going to be a converter service. So you take 65 per cent of 2.2 million, which would be how many would have access to any channels above channel 13 because they have that box in their living room.

Mr. Treleaven: That is 1.5 million, and then you take half of that, which is 750,000.

Mr. Smith: I am assuming that half of that could have capacity, a spare channel. Then you are talking about 700,000 to 800,000 homes that would see the Ontario Legislature of the roughly 3.5 million homes in Ontario. That is the kind of numbers you are looking at if you take the cable route. If you take the cable route, that is the approach.

The other route you looked at was the broadcasting route. If TVOntario is carrying something at 11:30 at night, doing the wrapup of question period, or if it is doing it live during the day, or whatever, that is going to go to all cable systems in Ontario. I guess it would be 100 per cent carrying TVO. That is going to all cable systems. There you are going to get into--and it is on the basic service--2.2 million Ontario homes by adding something inside the existing TVO signal.

If TVO were to create a second signal, depending on its carriage, if it was a converter service, you would fall back to the 700,000 to 800,000 number pretty quickly.

Mr. Warner: Sorry. Could you run over that last point about the second channel?

Mr. Smith: If TVO had a second service?

Mr. Warner: Yes.

Mr. Smith: If TVO had a second service, it would depend on where it was carried on the cable system. If it was carried as a converter service because there is not one in place now, then you would fall back to the same number I said before as if you put it out by satellite and came down to the cable system. It is talking about the same space on the cable system. It is a converter space. You fall back to how many converters there are in Ontario and it is back to the 700,000 to 800,000 number. If it was carried on the basic service, then the number would be much higher.

Mr. Chairman: By and large, to carry it on the basic service now would mean we would have to bump the Blue Jays broadcast somewhere?

Mr. Smith: Or something like that.

Mr. Chairman: We do not want to listen to that noise.

Mr. Warner: Don't you dare.

Mr. Chairman: The conundrum here is fairly straightforward. If we interrupt one of the basic channels and disrupt something, I do not think that would be terribly well received in many small communities if one took away their access to--I doubt it would be the Canadian Broadcasting Corp., CTV or TVOntario. Most likely you would be bumping an American channel. I do not think any member in here wants to listen to that noise, if you took our access to the NBC off the air to put you guys on the air. In my view, that would be a little counterproductive.

If everybody went off to the Canadian Radio-television and Telecommunications Commission next year and said, "The reason we have to raise the rates this year is that some yahoo wants to put the Legislature of Ontario on your channel whether you want it or not and it is going to cost you extra," it would not matter whether it was two cents a month; we would get the same response. We are concerned that we do as much as we can at a reasonable rate

to provide access without really interfering in anybody else's business. Probably we are narrowing choices down here a little bit.

Mr. Rogers: The costs which we have just tabled for a reception of the signal do not include any element of the cost of the cable system itself. Channels are the scarce resource that a cable system has to work with. If you put a value on that system, even if it is simply a fraction of the total capital cost of the system, you are working with a very expensive asset.

2:40 p.m.

We are requested to carry services from time to time, either for public service reasons or public policy reasons. The TVOntario signal has a very high priority. We carry it. We give it its own position, pretty well a standard position across the province wherever it is possible, but there is a cost to the cable company for doing that. The cost is recovered through the basic rates.

It is fair to say that any increase in required carriage must ultimately result in some increase in rates, though maybe not with a direct one-for-one linkage. Somewhere along the line the fact that we have to rebuild our system to 36, 41 or even 54 channels, as we are now doing in some places, is a reflection of the load we are asked to carry and that the public wants.

It does get into the rate and it is a very big number. I would not care to table a number here, but it is a very big number to say we are going to expropriate, if you will, one channel on every cable system in Ontario. That is a big investment.

I caution the committee on that. Many cable companies are looking for services to add. Some are not looking for any services to add because they do not have any space left. The incremental cost will come up at different times for different companies.

Mr. Warner: May I come back to the TVO operation? Am I right in that you said TVOntario reaches 2.2 million homes?

Mr. Rogers: Through cable it does, plus whatever is going through the air.

Mr. Smith: It reaches more than that. It reaches 2.2 million through us, and then it probably reaches more than that, including people in Toronto who do not choose to subscribe to cable or in communities that do not have any cable.

Mr. Treleaven: I thought you said almost the entire thing, almost the 3.5 million through your ordinary 2 to 13 channel. If you have got a television set, you can get TVO.

Mr. Smith: I am not sure what their broadcast coverage is. If it covers all of Ontario, then I guess--

Mr. Treleaven: No, of course, it does not.

Mr. Warner: It is pretty close.

Mr. Smith: All I can speak about is the cable part.

Mr. Rogers: They have many repeater transmitters. There must be some blind spots left, but not very many.

Mr. Warner: One scenario would be to end up with TVOntario reallocating its programming and running the wonderful material out of this place live as it happens. That does not affect you as a carrier in any way, does it?

Mr. Rogers: Not at all.

Mr. Warner: It is just a problem for TVO with respect to its programming. You would continue to carry TVO through different channels around the province?

Mr. Rogers: It is channel 2 in many places by agreement with TVO. The cable industry has gravitated to that. Over the air it is a variety of UHF channels. I have no idea how many different frequencies they have got.

On cable channel 2 is almost standard. As a matter of fact, I do not know of anybody who does not have it on 2.

Mr. Warner: They are able to reach, through the cable and without the cable, most of the province. It is not an added expense to you people in any way or a disincentive in any way to carry the programming. There is no additional cost to the subscriber. The only real problem out of that is TVO being willing to juggle its programming and revise its schedule of programming.

Mr. Rogers: There is no doubt that this alternative has the best reach and the lowest cost together. There is just no doubt about that at all. You might have an interesting discussion with TVO, because it is not in its mandate.

Mr. Warner: I can appreciate that. I am extremely familiar with their programming. They have a mandate for educational programming and they are attempting to fulfil it. It creates headaches for them to start rearranging things.

Anything else that we do other than the TVO approach requires some cost to the cable company. Right?

Mr. Rogers: Correct.

Mr. Warner: It would cost either a network such as yours or the smaller cable companies in other parts of Ontario, which would have to purchase a satellite or purchase another channel or something. Right? No matter what else we do beyond the TVO option, it involves a cost to you.

That cost is either going to be picked up by Ontario; it is one option that the province could pick up the cost. The cable company itself could absorb the cost or pass the cost along, if not all, at least in part, to its subscribers. Is that fair enough?

Are there additional problems if we went the route by which a cable company has to clear a channel? Do they have to go through the CRTCTo do that? One would assume they would allow that, but still they have to go through it, and there is a possibility that it might not be allowed. Are there still lots of channels available?

Mr. Rogers: No, definitely not.

Mr. Stinson: The choice would be for the cable company to take it or not take it, and we do not know how many are really interested in doing it at this time, because right now 50 per cent of them do not carry the federal House. They may be a little more inclined to carry Ontario, but we do not know at this stage what the interest factor will be. They would have the decision about whether they wanted to increase their channel capacity to do this. They would not necessarily feel inclined to do it if it were not economically viable for them, even if they wanted to do it.

Mr. Warner: If you have the dish, what is the approximate additional cost of adding the channel? You mentioned \$13,000. I assume that is for the dish and the channel.

Mr. Lansdell: Fixed cost only.

Mr. Smith: That number does not include any number at all for the basic cost of building the cable network in the town; there is none of that in it. That is just the additional cost. If they had a channel sitting there that happened to be idle or had a less important type of programming on it, then the \$13,500 would get them in shape to do it, but it does not in any way have an allocated cost for the original building of the system. If there were no space and if a complete channel rebuild were required for the town, for any size of system at all we would likely be talking millions.

Mr. Warner: I have one last point. When the TVOntario people were in front of us, the impression I got from their presentation about what the future holds was that there is a gradual development of more and more cable coverage throughout the province and the growing phenomenon of the converters. That seems to be what the future holds.

I wonder about your impression of how things are developing and whether you have any estimate of how quickly we are becoming cablized in the province and how quickly converters are being added.

Mr. Rogers: I would agree with the trends, but I regret to say the remaining 1.3 million households or whatever it is are probably going to be very slow to adopt cable. They are generally rural or small communities. You are probably familiar with Canadian Satellite Communications, which is struggling to put its services into the smaller communities, in the north particularly. It is a slow battle. I would suggest that the rate of growth there is going to taper off rather than accelerate.

With respect to the converters, it is quite the opposite. It is going to be hard to avoid having a converter in your home in the future, simply because all the new television sets and virtually all the new videocassette recorders have a converter built into them, which you then would interconnect. So one way or another you are going to end up with your cable subscribers having a converter very quickly. Within a matter of three to five years, I think we will be over the 90 per cent range.

Getting penetration in those rural markets is something that cable is not really designed to do. We cannot economically serve either very small communities or very low density areas--farms, etc.

Mr. Warner: So you could end up clearing a channel, something beyond 13, and that would be great over three to five years for all the folks who now subscribe to cable, because most if not all of them will have a converter, but that will not touch the 1.3 million.

Mr. Rogers: Or whatever the number is, the difference between what we serve and the total number of households.

Mr. Warner: That is not likely to change during the next decade.

Mr. Rogers: No. It will narrow slightly as communities grow a little bigger and as perhaps the concentration in towns becomes a little greater. It is not going to address significantly those more than one million homes that are not served by cable.

Mr. Warner: That part really bothers me. All the kidding about Toronto aside, it is not fair to the people who are living in small towns and villages around this province. They should have the same opportunity as my constituents to see that programming. If it is worth while, then everyone should have a chance to see it. I do not want to see us end up in a situation whereby we are providing broadcasts only to the people in Metropolitan Toronto, Ottawa and the other urban centres. That is not right.

2:50 p.m.

Mr. Rogers: There is something happening, and it is happening very quickly, and that is the spread of the use of satellites in rural areas. You cannot drive down a country road in Ontario without seeing a dish hidden behind a barn every half mile or so. That is good, because it brings these signals into the farm and isolated communities.

At the present moment, you can purchase a system that would receive this type of satellite broadcast for about \$1,000. You can purchase a system with a steerable antenna and all the toys on it for \$3,000. That is the price range within which you are presently working. About seven years ago, we purchased our first satellite receiver for the Rogers system in Toronto and it cost us \$59,000, and it was not as good as the ones you can now buy for \$3,000. So the price has come down. I do not expect it to keep going through the floor, but it is getting into the realm in which it certainly

is a discretionary purchase for a household; it is a reasonable bill, not much more than a snowmobile costs now.

Mr. Warner: It also means they can receive the TVOntario signal.

Mr. Rogers: They can receive the TVO signal and many more American signals. Cable systems are allowed to bring these, but that perhaps is something for another forum.

Mr. Smith: Unfortunately, a note on that point is the dish they would receive TVO with is not the most popular dish. The most popular dish is the larger one which is used to pick up the American programs, so if you want to be seen by a lot of dish owners, then you really should be on the same frequency as the American programming, because then you can use the same dish for both. Right now, the most popular American program is on a relatively low frequency satellite, so they can buy one of these large dishes with a motor on it and they can flip it around and watch different United States satellite programs. That is the most popular dish. Unfortunately TVO is not on that frequency.

Mr. Warner: Well, if they want to watch American programming, let them suffer.

Mr. Treleaven: Excuse me. I have a question with respect to your last comment. Will the large dish have the capacity to pick up what the small one can?

Interjection

Mr. Treleaven: Oh, it is exclusive.

Mr. Lansdell: It is an apples and oranges type of thing. They are not compatible.

Mr. Treleaven: So just because you have a dish does not mean you can pick up TVO.

Mr. Smith: TVO is a high frequency signal and most of the dishes you see around farm houses are the low frequency variety. The high frequency is a much smaller dish. But right now there is not enough up there to attract people so they go out and buy them. There are some, and the numbers will probably grow, but right now the most popular dish is the low frequency dish.

Mr. Treleaven: You mention that 50 per cent of the cable systems now carry the federal question period.

Mr. Smith: No, they carry proceedings.

Mr. Treleaven: I beg your pardon?

Mr. Smith: That would be proceedings.

Mr. Treleaven: The entire proceedings?

Mr. Rogers: In both cases--

Mr. Lansdell: It is a full-time signal.

Mr. Treleaven: Eight hours of it?

Mr. Lansdell: Whatever the sitting session is.

Mr. Treleaven: Okay. Mr. Lansdell, Lindsay is a relatively rural area. If it was not mandatory, would the Lindsay cable system be interested in eight hours of legislative debate and so on, including question period? How many of your subscribers get wild enough about it and demand it from you that you would put it in?

Mr. Lansdell: I will side-step the question a little and say we do have the federal service now; we do carry House of Commons.

Mr. Treleaven: Do you have seven or eight hours, or whatever?

Mr. Lansdell: It is a full-time, 24-hour channel. It has no other programming on it besides House of Commons. That is all it is used for.

Mr. Newman: Is it a repeat program?

Mr. Lansdell: No. It is in operation during the period in which the House is sitting. Then there are follow-up commentaries after it, which last a very short time. The rest of it is just a blue sign saying the Commons will reconvene at such and such a time and date.

Mr. Newman: I thought they would have four hours on the disk and they would simply repeat that six times to give them the 24-hour distribution.

Mr. Lansdell: No. All they do is have a sign indicating when they will reconvene. It is live coverage only.

Mr. Stinson: I believe your service would probably last from seven to eight months a year. The question that arises is what use would that channel be to a cable company in the other months of the year? They could probably be creative and find uses for it--

Mr. Trealeaven: I am not sure anyone would notice the difference.

Mr. Lansdell: We will test them.

Mr. Morin: What happens to the (inaudible)?

Mr. Lansdell: They have a holiday period, too.

Mr. Morin: They do? How is it filled?

Mr. Rogers: Generally it has not been filled at all. It

has been used on occasion, for the Pope's visit, for one thing. A couple of other special events have been scheduled onto it by the Canadian Broadcasting Corp., and the rest of the year it has stayed blank.

Mr. Smith: I might just make a comment on that. One of the things that makes it sad when a channel sits open--and it also relates to the fact that we tell you that many of the systems do not have the capacity to carry additional channels--is that there really is no particular incentive to add any additional capacity. A battle we have been fighting for a number of years is to try to be able to carry additional services.

In fact, there is a hearing coming up in November with the Canadian Radio-television and Telecommunications Commission that will deal with the subject of advertising, which we hope to be able to get into, which would create some incentive to rebuild these systems and get channel capacity for economic reasons.

But right now it is a sad situation, and it is sad because the amount of procurement and industry is not occurring in the provinces, particularly in Ontario, that could happen if there were a mechanism behind the rebuilding and programming for the citizens. Right now it is pretty quiet out there.

Mr. Morin: Did I understand you correctly when you said that in a community like Fort Severn, the northernmost point in Ontario, or in Kasabonika, Wunnummin Lake or Kashechewan, the only way to receive TVOntario would be to buy a high-frequency dish and to have a low-frequency dish for American channels?

Mr. Smith: Is this for an individual?

Mr. Morin: For an individual. It is in a small native community.

Mr. Smith: Yes. If they want to watch American programming they have one dish for that, and if they want to watch TVOntario they buy a small high-frequency dish for that. Two dishes.

Mr. Morin: So the programs become quite expensive for an individual.

Mr. Smith: For an individual, yes. But if you were thinking of satellite programming and you intended it for dish users, then you would be wise to go for the low-frequency option. You would be available to more dish owners who exist now.

Mr. Morin: So it means we will have more success in getting TV coverage for the high-density or highly populated areas, more so than northern Ontario--am I correct?--let us say for true cables. Of course, there is no facility for cables; you do not go that far. But we have a greater chance of covering large urban areas than--

Mr. Smith: Through cable, that is true.

Mr. Morin: Through cable, and also through TVOntario, I suspect.

Mr. Stinson: TVOntario has the potential for widespread coverage through its own transmitters, which really--

Interjection: I do not know where they go.

Mr. Stinson: --can feed directly to the individual homes. But using satellite may get into a more expensive process.

Mr. Smith: Any place where TVO is broadcasting, obviously, individuals could receive the signal just by using a roof antenna.

Mr. Chairman: Do you have any record of the basic service? Each one that I have ever seen has a community service kind of channel, and on that channel they generally run the local council meetings; the local librarian shows all the books in the library; somebody who can sing sings; there are kids' rock bands and all of that stuff happens.

To my knowledge not very much of it cranks up much before five or 5:30 p.m. when the guy gets off his real job and goes and plugs in the local station. There is a little bit on the weekend, but there is also a lot of time when they give you the temperature outside, how the Blue Jays lost last night and things like that on that channel.

Is there not a fair amount of capacity on a basic cable service into which one could interject some broadcasting of this nature? In other words, if the House were to sit from one to seven o'clock, and if at seven o'clock off came the Legislature of Ontario and on came the Lindsay town council, why could that not be worked out?

Mr. Rogers: To this date the CRTC has been very reluctant to allow the use of a community channel for Parliament or other things, except in very small communities where a limited number of channels is available. It has permitted the use of that channel for question period only. The same thing could be done for the provincial House. But I do not believe it has permitted full carriage anywhere. Eric, you have knowledge of smaller systems. I do not believe it has permitted full carriage of Parliament on that channel.

Mr. Chairman: That would be too sensible an option for the CRTC to consider, right?

Mr. Rogers: It is trying to protect its turf, which it considers the community channel to be.

5 p.m.

Mr. Chairman: Very valuable stuff. Right. They have to do that.

Mr. Rogers: There is no question that channel is

underutilized in some systems. On the other hand, there are some systems, certainly in the metropolitan areas, that program them 18 hours a day.

Mr. Stinson: We should not overlook the possibility of such a channel as you are proposing that goes on cable being supported by revenues from areas such as advertising. I am not suggesting that is an ideal way to do it, but we are now in the throes of making a submission to be allowed to create more local programming such as news, sports and public affairs in areas where there are really no television stations and to get some support for that through advertising revenues. This has been a no-no with the CRTC for quite a long time, but just this week we made a submission to CRTC asking permission to enhance our local production so we would be able to do a better job in many areas and be of better service to our community. But we really cannot afford to do that without some new revenue return.

We are not suggesting here that your channel, if it came on, would be supported by advertising, but it is a long-shot possibility in the long term.

Mr. Treleaven: Maybe the three political parties would like to put on a commercial before and after question period.

Mr. Newman: You gave them an idea.

Mr. Sterling: How long a commercial?

Mr. Chairman: Norm wants to rent advertising space on his sleeve like Martina Navratilova does.

Mr. Warner: It is a chance to earn money for the campaign.

Mr. Chairman: In a nut, what you are saying to the committee is the options are complicated a little by other players such as the CRTC, who have their restrictions on it, and perhaps the satellite is the cleanest way to proceed. Do you have any idea of any numbers from TVOntario? For example, it is my understanding that very few schools are using the live broadcast of TVOntario from nine o'clock in the morning until four o'clock in the afternoon. They are taping it and using it when it fits their schedule rather than readjusting the whole school's schedule to watch the program at 2:15 or whatever. Do we have any hard numbers on that?

Interjection: No.

Mr. Chairman: I have not seen anything from TVO on that either.

Mr. Lansdell: I can only say, based on our area, they are using the service live. One of our problems in Victoria county is that we are in a gap in the north end of the county. They can receive it in Lindsay via cable; they can also barely get it off-air, but they would prefer to have a transmitter in the area. So that is one of the spots TVOntario does not reach with a

land-based transmitter, so they have put satellite dishes on the schools to pick it up, but only for that particular high-frequency satellite.

Mr. Chairman: Do you know if the schools are using the live feed, or are they taping at the school and then rebroadcasting when it suits their convenience?

Mr. Lansdell: I believe they are doing both. They could have taped it for the whole county in Lindsay right off cable, but they chose not to do that. They have equipped the schools with satellite dishes.

Mr. Warner: In that situation, does TVOntario have the right to put in another transmitter to service the area that is not serviced now? Are they allowed to do that?

Mr. Lansdell: As a matter of fact, I will not go into details, but that is a highly controversial question right now. They are trying to locate a transmitter near Rice Lake, Ontario, and there have been all kinds of problems in doing this. The intent is to serve the Belleville-Peterborough area more adequately. I cannot tell you when this will happen. It will be quite a while by the look of things. Yes, they can apply to do it, but it has to be authorized like any other broadcast station.

Mr. Warner: Do they need to go to the CRTC again?

Mr. Lansdell: Yes, absolutely. It is just another broadcast station that happens to be run by TVOntario, and they must be licensed.

Mr. Warner: Following up on what Mike said, I take it that the decision in the Lindsay area was based on the best way to provide those educational programs to the classrooms, rather than a technical problem which forced them to say, "We want to run this live in the classroom." It was not that the broadcast quality from the live production to the tape format was a problem.

Mr. Stinson: I think it was probably a convenience proposition. We do not have any statistics on when those programs are carried, by tape or otherwise, in our association.

Mr. Rogers: I believe TVOntario has quite a program of locating receivers in schools and small communities in the far north. It is unusual in an area such as that around Lindsay, but I know that virtually all the native communities in the far north have been provided with TVOntario services, and I believe TVO provides the dish and the whole installation at no cost to the community.

Mr. Chairman: The advantage that we would see in using TVO--aside from the obvious one that it is already an agency of the province--is that in live broadcasts, either on the existing channel or on another channel, its targeted area is relatively high. In addition to that, even in areas where they do not get it, they do have a cassette delivery service, much as a lot of public libraries have, whereby if you cannot get the signal, it will mail

it to you. It has a distribution service so if you want to see the tape of that program, it will get it to your school, you can plug it into your videocassette recorder and show it to your kids, even though you cannot get the TVO signal. Obviously, it is not live, but you get it on a delayed basis somehow. So it has that advantage.

Mr. Warner: The problem, though, unless I am mistaken, is that if TVO were asked to go to another channel, it would have to go outside channels 2 to 13. There is nothing available for them, or for anybody else, in that 2-to-13 range, right?

Mr. Rogers: There is nothing available, and it is our assumption that it would go outside channels 2 to 13, as Parliament did. But there are perhaps some interesting regulatory questions about what the priority of these services should be.

As an industry and knowing our customers' wishes, we would be very concerned to see it bump any Blue Jays games, the National Broadcasting Corp. or anything like that.

Mr. Warner: Of course.

Mr. Rogers: For your information, however, in many communities in a belt around Toronto we are now being forced to move our community channel to the mid-band as the CRTC has changed priorities. In a circle, say, from Hamilton around through Kitchener and back down to Oshawa we will be moving the community channel, in all likelihood, on some systems onto the mid-band. It depends on how many off-air systems are available.

Mr. Chairman: What would go on your community channel?

Mr. Rogers: The priority of channel 47 has been restricted in the past to the metropolitan area. It would now obtain the full priority, the same as any other television station, and because of that it comes up and bumps the next lowest priority, which happens to be the community channel in a number of our systems. That was a major discussion point with the CRTC commissioners, because they had put a lot of time and effort into developing the community channel concept over the years, and this did seem to be counterproductive. But that is the way the priorities read.

If TVO were to put a second signal up over the air and if it were classified as educational, it could be given the same priority as its first signal. There is no precedent for this; I am not sure how it would work, but it is something to think about. It would be of great concern to our industry and it has been discussed in the past with respect to a French-language service as well. It could end up bumping channels all over the place and, as you suggested, Mr. Chairman, constituents get a little irate when things like that happen. We would not care to be part of it if we could avoid it.

Mr. Chairman: To put that in perspective, we do not insist that every newspaper in Ontario take its front page away and print yesterday's Hansard, so I could hardly see that we would

insist that a television channel or a cable company do away with an existing service to replace it with this.

Our concern is not that. Our concern is essentially that, one way or another, everybody in Ontario get access to this system if and when he wants it, and it should be his choice. I think most members here would relate to you that very few of our constituents sit down and watch the entire parliamentary network for eight hours, but a lot of them do watch when something of interest is being debated in the federal Parliament.

For example, when all of the question periods were centring on what nasty things the federal government might do to pensions, a lot of my pensioners watched them for a while until they felt the issue had been dealt with or they had some understanding of it. In my constituency office, whenever a question was asked about that, they would call the office and ask, "Why did Ed Broadbent not say that this afternoon?" Of course, we would call Ed Broadbent and ask, "Ed, why did you not say this?" The next day he would say it.

It is now becoming part of our culture that people sit in their living rooms and watch what the federal Parliament does and respond. Politicians are again communicating in some way.

3:10 p.m.

Mr. Stinson: Do you not see this as a gradual process rather than an immediate access process for the people? It is going to be difficult to ensure rights of access at the opening of this service.

Mr. Chairman: From the committee's point of view, we are anxious to get on with providing an electronic Hansard here. In our report we talked about timing. We can begin a testing process this fall, and we probably will in some format.

We are not talking about having a full product available until the spring session because it cannot happen. The part where we slowed down was on the distribution side. There are a number of areas there where we have concerns and where other people have concerns. We are going to have to work our way through them.

Probably making it available, as they say in the old parliamentary trade, is as far as we are going to go right now. None of us are anxious to jump into setting up a new national satellite network.

Mr. Mancini: Some are. Mr. Warner is.

Mr. Chairman: Mr. Warner always wants to jump.

I think you are right. The distribution side of it is going to come at a slower pace than the preparation of a product. Many of us also want to get some sense of whether people would use this kind of service. It is a service I anticipate is going to be about as popular on most converter channels as the channel that runs the stock exchange, the weather report and the ball scores.

It is an information service that people will use once in a while when there is something of interest on it. Our job is to try to give everybody equal access to that for much the same kind of reason. We do not anticipate that it is going to be great entertainment and we are not setting out to make it great entertainment. We are setting out to try to provide an accurate picture of what business has transpired at the Ontario Legislature. That is it.

Mr. Stinson: When you consider that only about 50 per cent of the systems carry the federal one, it might not seem in line to consider that you are going to get 100 per cent access right away on this proposal.

Mr. Chairman: Yes.

Mr. Stinson: You really need a good base starter.

Mr. Chairman: I think all members of the Legislature would be happy if next spring people write us letters and phone us up and ask, "Why can't we get the proceedings of the Legislature?" Then we would be happy to come back in here and suggest that we do a lot of things that may cost a whole lot of money. We would have to have some indication that people really want it before we would feel justified in doing that.

Mr. Warner: It seems fairly obvious at this point that the cleanest way, the cheapest way and the way to reach the greatest number of homes in Ontario is through TVOntario. That seems inescapable. The question then becomes one of either a delayed broadcast or live, both of which present problems.

Mr. Stinson: Is the basic question how much you really want in the way of coverage that TVOntario could carry without a major disruption? In other words, do you want the whole spectrum of the proceedings covered or do you want highlights interspersed throughout the program? They are different things and there are different problems of coping with them. It comes down to how much you really want in the way of coverage of the total proceedings. Can you convince TVO to carry a broad-based coverage of this service?

Mr. Warner: That is the problem. The mandate of this thing is gavel to gavel. On a normal day it is two to six in the afternoon and there are a couple of evening sittings. They may be scrapped too, but at this point there are at least four continuous hours.

Two to six right now for TVO is a problem because of its educational broadcasting. However, the trend is towards school boards having their own centre where either they are receiving the programs off air or they have a contract with TVO to receive their master tape and make copies which they then distribute to the schools. The trend is away from using the live broadcast in the schoolroom and going towards tape, so it does not matter when the program is broadcast.

Mr. Stinson: They could tape that at night and make it available later.

Mr. Warner: At any time. The alternative to that is a delayed broadcast, but it is four hours and I would be a little concerned if they started the delayed broadcast at 11 p.m. No one in their right mind is going to stay up until 3 a.m. to watch this thing, unless they have insomnia. On the other hand, that might cure insomnia.

Mr. Chairman: It seems to work for the members.

This is all very preliminary. We have not been given a real estimate from TVOntario on the actual projected cost of a new service or of bumping the existing service and interjecting this. At this time, we cannot tell you whether that would be any cheaper than buying your own satellite equipment and putting it up there. We do not know. At some point, I hope we will know and some committee of the Legislature will be making that judgement.

Our benchmark is we would like to hit as many people as we can who could have access to this for the least amount of money. Televising the proceedings of the standing committee on social development is costing us absolutely nothing. We are getting a message out there and people are able to see those proceedings, but there is no guarantee that can go on for very much longer. It all depends on how much interest is shown by cable companies in picking up that signal.

I happened to do a women teachers' convention where Rogers Cable was present and, to my everlasting shock and horror, I found out afterwards my wife was watching me all night long back home in Oshawa. Devils that you are, you have rebroadcast the thing and made it even worse. There is that kind of hit and miss in the process.

We are aware there are a lot of different factors and this can get very expensive in a hurry. If anything, this group of folks is a little gun-shy about the costs. To be a little more direct about it, if we wanted to get access right away, we would probably recommend the purchase of our own satellite equipment, hook the signal up and whoever wants it can get it.

That resolves a number of problems and, in theory, gives everyone equal access. If some farmer in South Dumfries wants to get this, he can go buy himself a satellite and he has it. That, in some ways, addresses everyone in Ontario, but it may not be the most practical way to proceed.

Mr. Smith: I have a suggestion, which may be slightly hare-brained. If you were able to get your daily signal and if you did not mind having it on a delayed basis, you would be able to get it to Ottawa and have it originate with the CBC House of Commons feed. They have some major space in that signal now and you could probably share a transponder with them. Mind you, it is going to go across the country, which might be a big problem, but to the extent that--

Mr. Chairman: We are trying to hide here. We do not want people to know what is going on at Queen's Park.

Mr. Smith: Just so you do not overlook all the options, that would put it in all the same homes that are getting the House of Commons channel automatically, without any further work, effort or cost.

In addition, given that TVO has some space on a delayed basis in their signal--I am not sure what the costs involved are with TVO--you could carry a major part, if not all the proceedings, on a delayed basis. It may be at an oddball hour, but with the growing concentration of VCRs that we are so aware of, if people are truly interested in taping the proceedings, they can easily do it.

There are two pretty cost-effective approaches that do not involve live coverage but--

Mr. Chairman: We are also aware there are some changes being proposed in the Ottawa system. They are essentially talking about buying their own satellite equipment and putting up their own broadcast signal. They may have capacity we can hook into. That is in the early stages of exploration.

Mr. Smith: They do have that.

Mr. Chairman: They have it now through CBC. They are contemplating setting aside the CBC and doing yet another national satellite network. The possibilities are almost endless. It depends on how much money you want to spend.

Mr. Smith: You have to consider seriously what increased value there is to having it live or delayed. Delayed is a lot easier to do, even with TVO, and it leaves you a lot more cost-effective options.

3:20 p.m.

Mr. Warner: Suppose for a moment we end up with some kind of satellite system the cable companies are carrying. Do you people have any way of measuring the audience you get for a specific program?

Rogers Cable TV has covered a couple of political items. It covered the Confederation debate a few years back in this building and it is now covering the hearings of the standing committee on social development. We always say that instead of the separate school funding issue because it sounds nicer. Do you have any way of measuring what your audience was for the Confederation debate?

Mr. Rogers: No I am afraid we do not. We do not get included in the surveys done by the A. C. Nielsen Co. or other survey companies that automatically pick up this type of thing. We have done a few spot surveys of our own, but they are very rough and they are applicable to one instance, such as the hearings that are going on at present.

We know we get a pretty good audience when it is newsworthy. We know there is a very small audience when it is not. People do find the newsworthy items. As the chairman mentioned, his wife did find him on the channel the night he was out. It is amazing. It is very difficult to appear on the community channel and not have somebody mention it to you the next day.

Mr. Warner: I do a little show on the local cable station now and then and I am quite amazed by the number of people who mention, "I saw you on TV." They do not remember what it was, but they do remember having seen you.

Mr. Rogers: It is the converter. People are channel flickers, channel hoppers. They play those converters like a piano, but they do catch you as they go by.

Mr. Warner: What ways are there of measuring the audience response to programs?

Mr. Stinson: The people at the Bureau of Broadcast Measurement told me a year or so ago that there were some figures in the mix now that might give some indication of some areas of that, but they have not published anything. The official people in this country who do that are Nielsen and the Bureau of Broadcast Measurement, which is an industry measurement organization, but they have never felt there is enough audience in there to put into the big publication of their book which comes out twice a year.

That does not mean to say that in many areas there is not a sizeable audience. It has not become a practice for them because they do the whole country. There are many areas of the country where the audiences are spasmodic and they do not have the community channel on all the time. They have not got around to publishing that, although it might be worthwhile contacting them, particularly BBM, to see if there is any way of pulling out any data on that.

Mr. Warner: Picking up on what was mentioned earlier, I think you are looking at this as growing. You put the thing on and hope that people will watch it. It would be nice after it has been operating for a year to have some idea of how many folks are actually viewing this wonderful program, if there is a mechanism to tap into some figures.

Mr. Stinson: The mechanism is there but they do not publish it yet. It is not widely available. I do not think there is enough on a province-wide basis to make it a viable enterprise. There may be selected areas where it is.

Mr. Treleaven: If I mention the terms "close captioning" and "translation into English and French," what is your reaction? Do they make things more difficult or more expensive from your point of view?

Mr. Rogers: Normally such services are provided by the program originator. If you were to close-caption, I presume you would have a captioning operator in place on a live basis, or perhaps do it on a delayed basis. It is a very difficult thing to

do, but it can be done. The House of Commons has elected to use sign language rather than close captioning. You have no doubt seen the inset.

As far as English and French translation is concerned, there are three sound tracks available for the federal Parliament. We can take either the English language or the French language or we can take the floor sound. In many communities on the border where there is only one channel available for the Parliament broadcast, they elect to take floor sound, which is in English or French according to the member's preference. That works quite well. I know Ottawa works that way.

In some communities, we actually carry an English channel and a French channel where space is available. The translation is provided by the House of Commons, and I suggest would have to be provided by the House rather than by independent cable companies. You would not want everybody translating for you. Technically, it does not present a great problem.

Mr. Chairman: If you were to recommend to us one means of putting the signal out, what would it be?

Mr. Rogers: It would be a satellite.

Mr. Chairman: Is there a consensus that is the way to do it?

Mr. Smith: It is, unless you could come to an arrangement with TVO. We are assuming that would be the method to use if you failed to get the full co-operation of TVO to put it 100 per cent inside its programming. If TVO was a viable option, it would cause the least disruption. I think Bill is assuming that has gone by the board.

Mr. Warner: TVO is assuming that too. I want to pick up on Mike's question. Forget any problems an organization might have. Strictly from the point of view of what we are trying to accomplish, what is your recommendation as the best way to deliver the program to the people of Ontario?

Mr. Rogers: As Larry said, TVO would automatically give you everything you want, the best audience and the lowest cost. If you want more than TVO is willing to give you, then satellite would be the way I would choose.

Mr. Chairman: Okay. Any other questions from anyone? Any other comments? We thank you very much for showing up here today and helping us with this problem. We would like to keep in contact with you, so you may get some phone calls from either John or Smirle, people who work for the committee. We are not quite at the stage at which any big decision is going to be made on how this distribution will occur.

As a group, if you think of any problems that any one of the options we talked about this afternoon might cause for you, or, as people who would provide us with access to a rather large portion of the people of Ontario, if you want to elaborate a bit on what

your preferred option would be, we would be more than happy to hear from you.

The committee stands adjourned until 10 tomorrow morning. Tomorrow morning we will have some guests from Minaki.

The committee adjourned at 3:27 p.m.

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STANDING COMMITTEE ON PROCEDURAL AFFAIRS AND AGENCIES, BOARDS
AND COMMISSIONS

MINAKI LODGE

WEDNESDAY, SEPTEMBER 18, 1985

Morning sitting



STANDING COMMITTEE ON PROCEDURAL AFFAIRS AND AGENCIES,
BOARDS AND COMMISSIONS

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Bossy, M. L. (Chatham-Kent L)
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Sterling, N. W. (Carleton-Grenville PC)
Treleaven, R. L., (Oxford PC)
Warner, D. W. (Scarborough-Ellesmere NDP)

Clerk: Forsyth, S.
Assistant Clerk: Decker, T.

Staff:
Eichmanis, J., Research Officer, Legislative Research Service

Witnesses:

From Minaki Lodge Resort Ltd. and Minaki Development Co. Ltd.:
Boustead, R., General Manager
Boyer, F. J., President and Chief Executive Officer
Rubinoff, R. A., Chairman
Shoreman, M., Secretary-Treasurer

LEGISLATIVE ASSEMBLY OF ONTARIO

STANDING COMMITTEE ON PROCEDURAL AFFAIRS
AND AGENCIES, BOARDS AND COMMISSIONS

Wednesday, September 18, 1985

The committee met at 10:13 a.m. in room 228.

MINAKI LODGE

Mr. Chairman: We have with us today Frederick J. Boyer, president and chief executive officer of Minaki Lodge Resort and Minaki Development Co. Ltd.; Robert A. Rubinoff, chairman; Michael Shoreman, who you remember who was with us at the lodge; and Richard Boustead, general manager of the lodge.

I will run over it one more time, although I think you know it. We are reviewing agencies of the government. Where they have a facility we ought to look at to orient ourselves, we try to pay a visit to get some concept of the facilities, how they are being used and what shape they are in. We also try to have a session with people appointed to the board, or whatever titles are given to those who represent Ontario on the agency, and the staff people.

We like to get some concept of how well the agency is working, what its relationship is with the government and how active the agency is. We view a range of them, from those that are doing nothing and have not done anything for some time to those such as yours that have a large operational side.

The members have had an opportunity to go through the briefing notes that were prepared by Mr. Eichmanis. That is the paper part of the exercise. There is usually a four- to six-month period where John Eichmanis does basic research into all the acts and the technical stuff and that kind of thing.

We also like to have a little session with people who are representative of the agency, and this morning that is you. Essentially, it is an opportunity for the members to try to clarify some of the research, to ask questions not included in that, and that is where we are now.

You have kindly provided us with more information on operational aspects of the lodge and the development corporation. May I ask you one simple question for starters? Do you make any real distinction between the lodge and the development corporation? Do you basically run it as one entity?

Mr. Boyer: Now we do, yes.

Mr. Chairman: Okay. Do any of you have any kind of opening statement you would like to make? We would like to give you the opportunity, before we start on you, to say your little piece.

Mr. Boyer: I do, if I may.

Mr. Chairman: Proceed.

Mr. Boyer: With regard to the people here, I want to add that Mr. Boustead is an employee of ours legally, although he was recruited by Radisson in our name. He had a number of years with the Westin chain, most recently at the Westin in Winnipeg, and he has been with us since before opening day.

You met Mr. Shoreman on site. He and I are the only civil servant directors, the rest being from the private sector, where the minister has been able to recruit people experienced in a variety of disciplines. All of them have direct experience with the resort or hotel field.

You should know about Bob Rubinoff that for many years he was executive vice-president of Commonwealth Holiday Inns. When he left that business, he served two years as president and chairman of the Ontario Chamber of Commerce. He has been associated with us first of all in leading the task force that found Radisson Hotels, and in January 1984, when we established a primarily private sector board of directors, Bob agreed to be chairman.

I talked with Mike Shoreman concerning your meeting at Minaki, and it seemed to me there were a couple of areas that should be expanded on. One was our search for a hotel management company, which culminated in the agreement with Radisson. I will make some comments on our relations with Radisson, and Mr. Boustead is prepared to talk about the services he gets from Radisson. That is one area.

Second, it seemed it might be useful to comment on operations and on the economic contribution we think it will make to the area, the community and the region.

If I can begin, cabinet authorized the completion of Minaki Lodge. After some four years in mothballs, partially completed, it authorized completion in June 1978 with the proviso that we find a hotel management partner to operate it for us. The board at the time made the assumption that a number of companies were anxious for this opportunity. It will be no surprise to you that we were not overwhelmed by the response.

During the summer of 1978 we held meetings with a number of companies. They included Canadian Pacific, Hilton Canada, Wandlyn Inns and Delta Hotels, which operates the Chelsea near here.

By September we had reached an agreement with Canadian Pacific that they would undertake a major feasibility study that would lead to a management agreement between us. By December they opted out. They had had a very bad financial year with a major change of management and decided not to participate with us. We immediately began the same kind of negotiations with Hilton Canada, which, after several months, also said no. Both Wandlyn and Delta decided not to participate in any feasibility study.

10:20 a.m.

At this time, in one way or another we had talked to every major hotel company in Canada. To resolve this unfortunate

situation the minister gave us a deadline to find the hotel company. The deadline was March 1980. If we did not find one, the implication was that the project would be abandoned part-way finished.

At that time Mr. Rubinoff joined us to head a task force searching for a management partner. We were in touch with every major hotel company in Canada again and in the United States. There were also at least two British hotel companies.

By the time the deadline neared, we had three bona fide offers to operate the hotel that were satisfactory in terms of their experience and size. Incidentally, all three were American companies. At the time we recommended Radisson Hotels, and that recommendation was accepted.

The reasons we chose Radisson were: first, they had experience with both city hotels and resorts; second, they were headquartered in our potentially largest market, Minneapolis, and we anticipated that the greatest volume of business would eventually come from that region; third, and we considered this of least importance but it was a fact, they made the best financial arrangement offer of the three.

Our contract with Radisson provides us with their head office expertise in all aspects of resort management. It requires that they submit to us an annual plan and a multiyear plan, and our board of directors accepts or modifies the submissions. In addition, we have monthly operating statements supplied to us and quarterly revisions thereof, which enable the board to monitor closely the results of a plan it approved some time earlier.

Our board is very conscious of the fees we pay to Radisson: five per cent of gross sales as a management fee and an incentive fee that is 10 per cent of gross operating profit. By the way, that will kick in for the first time this year. We will pay that incentive fee and we are very pleased to do so because, while Radisson gets 10 per cent of the gross operating profit, there is a gross operating profit; in addition, government keeps 90 per cent of the profit. We are conscious, however, that this year we will be paying Radisson more than \$200,000 through the two fees.

That brings me to another aspect of our contract, that we can break the contract at any time on 90 days' notice and payment of a \$100,000 penalty. To keep us alert to this contractual possibility, the chairman has set goals for the board at every meeting to review individually whether we are satisfied with the Radisson performance. Our response has been yes, we are, so far.

I do not want to suggest to you that there is anything wrong with our relationship with Radisson. Quite the contrary is the case. We are one small property with 146 bedrooms among 44 Radisson owned and operated properties with 12,000 rooms, but nevertheless we get attention from top management.

Radisson's president has been at many of our meetings. The company is generally represented at meetings through one or more vice-presidents. We have negotiated concessions to our benefit beyond the letter of the contract.

When I get to operations I am going to report to you what we consider a success story. If that is the case and you believe it is a success story, then Radisson must be credited with a large part for its role in that success.

It is a very interesting company; it is part of the Carlson group of companies. Curtis Carlson was the founder of that group, which has sales approaching \$3 billion in all its enterprises. It is controlled by the Carlson family and, I guess, by Curtis Carlson himself. It is one of the largest privately held companies in North America.

In the travel and hospitality field it is perhaps the biggest in North America, particularly in the travel agency field, where its properties include the Ask Mr. Foster chain of travel agencies in the United States and P. Lawson Travel, the largest chain of retail travel agencies in Canada.

As we were negotiating the Radisson contract, we discovered another benefit from the Carlson group. It has a sister company in the design and construction business. We had no direct experience with construction. We welcomed the assurance this Carlson company gave us as project manager that what we built would be satisfactory from a professional hotel operator's point of view--from Radisson's point of view.

That is all I would like to say at this point about our search for a hotel partner and about Radisson hotels, our agreement with them and our relations with them. Undoubtedly you have questions to ask in that area. I am particularly pleased that Richard Boustead could be here today, because he will be able to comment on services he gets from Radisson in Minneapolis.

When we closed the books up to and including Sunday night, September 15, Richard reported that our occupancy rate so far this season was some 81.6 per cent, six points ahead of the objective we set for ourselves back in April-May. At the same time, our rate per room was \$82, and that was some \$3 ahead of the objective. Our sales were \$3.1 million by mid-September, ahead of target by some \$110,000. Our objective for the entire season is sales of \$4 million.

Mr. McClellan: Is that on a six-month season?

10:30 a.m.

Mr. Boyer: That is on a seven-month season. We have had a cool, wet summer. I do not know how yours was, but by and large ours has been cool and wet. Nevertheless it has been an excellent season, and every month has continued a trend where we have exceeded objectives and improved performance over the year before. In the beginning we forecast a very tiny, knife-edge profit for the end of this operating year, for the 12 months, and now we are very confident that at the least we can reduce the forecast loss by \$100,000.

I mentioned that it was significant that this year, for the first time, the incentive fee, the 10 per cent of the gross operating profit, kicks in.

It would be a mistake to let this committee think that our objective is solely to move into the black as quickly as possible, although we intend to do that. We think we make a larger contribution to the province than just operating in the black. We know sales will exceed \$4 million this year. About \$1.7 million of that is payroll, and while much of it leaves the community of Minaki, at least its flow begins in Minaki. It is a very large sum for a community of some 300 people. Incidentally, we figure we have contributed some \$300,000 in provincial sales tax.

Employment: We think one of our mandates is to create employment opportunities. When you were there in late August, there were some 237 people employed; that is up from 150 in 1983, the first season. Of the 237 employed, 33 were year-long Minaki residents, 26 were Minaki summer cottagers, 113 came from the rest of Ontario and 65 from other provinces, 10 were native people and we had 12 full-time employees.

Recruiting for seasonal employment concentrates in the Ontario community colleges, where we got a number of young people from the hospitality skills training courses.

We have improved local services, and we have provided a better climate for existing and new businesses. The northern public health service's opening year brought a full-time nurse to the community of Minaki, and that is thanks to the existence of Minaki Lodge.

Local businesses are enjoying greatly expanded activity. I think I heard a comment earlier this morning concerning the souvenir shop in the lodge, which must be one of the finest in the province. The same operator operates in the railway station, which we restored to its original 1906 appearance. In the community, a contractor started in business, three lodges began business and a new restaurant was established.

We are confident that Minaki Lodge is a flagship, a magnet for tourism development in northwestern Ontario. It benefits the tourism support agencies such as fly-in operators, rent-a-car agencies and other kinds of accommodation.

Now that you have been there, we hope you agree with us that we have one of Canada's finest wilderness resort and conference centres.

Mr. Chairman: I want to start off by going over some of the information you have given to John Eichmanis, our researcher. We do appreciate that you provided us with a couple of additional financial statements. We also understand that some of this information is not audited; it is projections or out of people's budgets, but it is the most accurate information we can get.

When this total is added to the previous amounts we were able to determine, we come up with a total public investment of \$53.8 million; and there is no such thing as interest on money that was borrowed for Minaki. There also seems to be some confusion about some operational grants being included in the audit; they were difficult for us to find.

Would you argue with that, that there is close to \$54 million worth of public investment in the lodge and the development corporation?

Mr. Boyer: I would like to wait for Mike Shoreman to respond to that. I was looking for the statement. It is my recollection that the information originally provided was that it was more in the order of \$45 million.

Mr. Chairman: Yes. It is a little difficult to put this together because it comes at you in different forms. In Mr. Eichmanis's first run-through of numbers, he was able to trace roughly \$45 million of public investment, one way or another, in the lodge and the development corporation.

With this additional information, the total seems to rise to around \$53.8 million. That is on the basis that there is no such thing as interest for moneys borrowed. We are a little unclear about the situation of operational grants for different things. Roughly, we are talking about \$54 million worth of investment.

Mr. Boyer: The Minaki companies had no direct participation in the ancillary costs.

Mr. Chairman: Could you clarify that for me a little?

Mr. Boyer: One of the ancillary costs you include in the \$45 million is money spent to upgrade the highway between Kenora and Minaki. That was done by the Ministry of Northern Affairs and the Ministry of Transportation and Communications.

Mr. Chairman: Wait a minute. Are you saying the road to Minaki Lodge has nothing to do with Minaki Lodge?

Mr. Boyer: I am saying we did not administer the funds, and we have no first-hand knowledge--

Mr. Chairman: We agree on that.

Mr. Shoreman: It is not included in the financial statements.

Mr. Chairman: It is not included in the financial statements. Mr. Eichmanis wants to clarify a point.

Mr. Eichmanis: Under the historical part, where item 3 says, "Funding has been provided during these years as follows," there is a list of various ministries that provided funding. Are you saying the ancillary projects are not included in those numbers?

Mr. Shoreman: The road is not.

Mr. Chairman: The road would be in addition to the \$54 million?

Mr. Boyer: I do not agree with the \$54 million.

Mr. Chairman: You were at \$45 million a couple of weeks ago. With this additional information, the total now rises to \$53.8 million, give or take.

Mr. Shoreman: The \$45 million included ancillary costs.

Mr. Chairman: The \$45 million included that?

Mr. Shoreman: Yes.

Mr. Chairman: Okay. We are at \$54 million and counting. The difficulty we are having is that you are right, strictly speaking, that Minaki Lodge did not build the road and had nothing to do with building the road; but in the real world the reason the road is there is that the government had invested money in Minaki Lodge.

I did not see that road, but I am told it is a magnificent road blasted through clear granite; it is one of the nicest stretches of highway. My wife tells me there was no one else on that stretch of the highway when they were there. It is a really neat road through a rock bed, which is not cheap.

You did not order it built, but do not ask me to believe the road was not constructed to help people get in and out of Minaki Lodge, because there is nowhere else to go. They did not build that road to go to Rosie's, I will tell you that.

We would like to nail down the expenditure side so we have some concept of what we are dealing with. Please argue with numbers you presented to us or assumptions that John has made in doing the research and help us try to get something we can all agree is a total expenditure package.

Mr. Boyer, you said you did not agree with the \$54 million.

Mr. Boyer: No, I do not.

Mr. Chairman: What is the basis of that?

Mr. Boyer: It is far too high.

Mr. Chairman: I agree with that; but what is the basis for disagreeing with it?

Mr. Boyer: I do not know how you get it. I agree with the \$45 million. As I recall from the original submission, that is based on a statement by the Minister of Tourism and Recreation and the Provincial Auditor's report.

10:40 a.m.

Mr. Chairman: Let me try to explain how we arrived at these numbers. We did have a problem because all we had to go on was the occasional statement by a minister of the crown on the record in the Legislature, and some work done by the Provincial Auditor.

To be a little more precise about it, we tried to identify, where we could, moneys that had been spent out of the public purse to facilitate--let me put it that way--Minaki Lodge.

When you do that, you look beyond the front lawn and you see that somebody built a road and you know that road was built to accommodate Minaki Lodge. You look across the road and you see a railway station which was acquired, redeveloped and then leased back; that is not part of the lodge itself, but public money was spent there. We went down the street and we saw a ski hill. We have not seen any projections for building a bigger ski hill, but the ski hill in Etobicoke on top of a garbage dump is higher. There is a nice chalet.

We looked to see if we could associate where the money was spent and how it might be related to the development of the lodge. We tried to go beyond what is simply on the record as being a previous government's estimate of expenditures there. It is not easy to do; there is the airport and several other things.

I am asking you to try to help us go through the statements you have given us today and to identify if we are in error with numbers. Straighten us out, is what I am saying.

Mr. Boyer: We have always had difficulty with these numbers because we have not known how to respond to the inclusion of the road; it has not gone through our companies. We have had difficulty knowing whether you were talking about capital investment in Minaki Lodge or total government expenditures.

Mr. Chairman: Right.

Mr. Boyer: The paper presented to you today, headed "Expenditure and Funding Since 1974," is based on extracts from the audited statements going back to the year ended in September 1974 through either company for everything we did. I am confident the addition of the figures indicated here will give you the total money spent through the two Minaki companies for any purpose whatsoever. It does not include the ski hill, which was prior to 1974; that was ARDA. Do you remember that federal-provincial program, the agricultural and rural development agreement? It does not include--

Mr. Chairman: Could you run that one by us again? The agricultural and rural development agreement?

Mr. Boyer: The agricultural and rural development agreement.

Mr. Chairman: In one of our official languages, what do you mean?

Mr. Boyer: The acronym ARDA? This was, I believe, a federally launched program in which they shared costs with provinces to bring marginal agricultural land into economic use.

Mr. Chairman: Where did this happen at Minaki?

Mr. Boyer: In the late 1960s.

Mr. Chairman: Where?

Mr. Boyer: That was private.

Mr. Chairman: Where?

Mr. Boyer: Where did it happen?

Mr. Chairman: I did not see a farm for miles around there. Was there one?

Mr. Boyer: That is the rehabilitation of very marginal agricultural land.

Mr. Chairman: Does this mean they grew moss on a rock up there or what?

Mr. Boyer: In many instances, land was put into park use under this program.

Mr. Chairman: So they upgraded it from bare rock to sod or something like that? I am being a little facetious, but we did not see any farms there. We flew over it, walked over it and drove over it, and I did not see a farm for a long way around. You are saying they upgraded it to park-land status?

Mr. Boyer: It was hardly marginal at all, was it?

Mr. Chairman: I did not see anything that even looked like a park there either.

Mr. Boyer: It is a fact.

Mr. Chairman: I mean, once you get off the golf course, it is a long walk to the next blade of grass up there.

Mr. Warner: Maybe it was the golf course.

Mr. Boyer: It is a fact that the funds for that project came from the federal-provincial program ARDA. I am not going to say "agricultural" again.

Mr. Chairman: Tell me, though, what did that do? Where was it used and what happened?

Mr. Boyer: That was in the late 1960s, I believe. Minaki Lodge went year-round--that was when it happened--and to help it during the winter season, a ski facility was provided. Of course, it is pretty silly-looking skiing--unless you live in Winnipeg and your alternative is the banks of the Red River. It is a better hill than that.

Mr. Treleaven: Touché.

Mr. Boyer: They provided T-bars up one side and down the other. They also had snowmaking equipment; most people here do not

believe you require that in northwestern Ontario, but they have less snowfall than Orangeville.

Mr. Chairman: Wait a minute. Are you telling me that under an agricultural development program we built a ski hill there?

Mr. Boyer: Yes.

Interjections.

Mr. Treleaven: Would you mind telling us which expenditure items are not included in this?

Mr. Boyer: Okay. The ski hill is not included in these numbers, in what you refer to as ancillary costs. The highway is not included. However, such ancillary costs as improvements to the airstrip and improved hydro capacity in the whole community, not just Minaki Lodge, was paid for through the capital program between 1981 and 1984, for \$22 million.

I believe the numbers shown here represent all the expenditures made through the Minaki companies from the time the government acquired them until today.

Mr. Chairman: Try to give us a little more help here, gentlemen. I do not hear anybody arguing with Mr. Eichmanis's numbers. There is a bit of interpretation.

Mr. Shoreman: These numbers come to about \$35.5 million.

Mr. Eichmanis: Maybe I should point out how I arrived at my numbers.

Mr. Shoreman: Certainly.

Mr. Eichmanis: Maybe you will agree or not as to where the problems are.

Mr. Shoreman: Right.

Mr. Eichmanis: I added the \$5,089,000 at the top of page 1, the \$2,980,000, the \$22,030,000, the \$23,048,000--

Mr. Shoreman: No. You are counting the \$23,048,000 twice, Mr. Eichmanis. It is \$22,030,000 and the funding was \$23 million, including \$1 million in operating costs.

Mr. Boyer: Go to the top of the next page. The \$1-million difference is the loss during the period under review.

Mr. Shoreman: So you have taken two figures that are the same. The bottom one includes operating; so take it.

Mr. Eichmanis: That is where the problem is.

Mr. Shoreman: Yes. The bottom one includes \$1 million of operating loss, and in the audited financials there is \$3,853,000

in accrued interest that was accumulated on the Ontario Development Corp. loans. You could argue that is not an investment or that it is. It is interest that accrued on the original debenture that is sitting on the books and has never been collected.

What is not included there, as Mr. Boyer said, is the expenditure on the road because, as far as the financial statements and presentation go, it is not part of the company's expenditures; so it is not included in those figures.

Mr. Chairman: What would be your estimate of total government expenditures in the lodge and the development corporation?

Mr. Shoreman: It is \$31.6 million, if I am adding them correctly, plus the ancillary costs.

Mr. Chairman: What would those be?

Mr. Shoreman: That is the highway.

10:50 a.m.

Mr. Chairman: And that is \$13 million and something?

Mr. Shoreman: It is \$13.9 million or--

Mr. Eichmanis: The auditor put that at \$16.7 million, and the minister at the time put it at \$13.9 million.

Mr. Shoreman: That is the highway.

Mr. Eichmanis: Yes. So there are two different figures for the ancillary costs.

Mr. Warner: What did the auditor say?

Mr. Chairman: He said \$16.7 million.

Mr. Boyer: The minister's figure of \$13 million plus was based on the tenders. We do not know what the bids came in at, and the work has not been completed.

Mr. Eichmanis: So the \$13.9 million could be higher?

Mr. Shoreman: Yes, it could.

Mr. Chairman: We are at \$48 million then. The ski hill is not included. How much did that cost? Does anyone know? No one knows these numbers. So we are approaching the \$50-million mark by anyone's set of numbers, right? I do not want to be specific about it, but we are getting in that neighbourhood. That is closer than anyone else has ever come around here.

Mr. McClellan: This takes us to the end of 1984. Is that the end of fiscal 1984?

Mr. Boyer: Yes.

Mr. Chairman: So there is a little more in the way of information yet to come around expenditures. Could anybody give me an approximation of what has gone on in 1985 that would be in addition to this?

Mr. Boyer: You have that in the first financial statement presented to you, which gave you audited figures for March 31, 1984.

Mr. Treleaven: This brings up the other statement. When you are getting into losses, are depreciation and amortization considered as actual losses or only as book or paper figures?

Mr. Shoreman: They are book figures.

Mr. Chairman: In my head, using that figure of \$2.4 million for 1985, we are over the \$50-million mark.

Mr. Treleaven: But they are saying that is just a book or paper figure on depreciation and amortization.

Mr. Chairman: I am not so sure these costs are book costs. The total here covers much more than some kind of entry into a logbook. These are actual expenditures. You have deducted overhead expenses, and you have paid out money for insurance, property tax and management fees. These are real expenditures.

Mr. Shoreman: When we come to the line "Loss before depreciation and amortization," that is the level that requires cash funding.

Mr. Chairman: Right.

Mr. McClellan: That comes from Ministry of Tourism and Recreation.

Mr. Shoreman: Yes. Depreciation and amortization, as it states, are just a write-off of the previous investment. You could consider those a write-off of already-sunk costs.

Mr. Morin: On the \$48 million?

Mr. Shoreman: Exactly--or the \$30 million or so that was put into the--

Mr. Chairman: Could you help us a little bit? You have an item here that says: "Deduct head office expenses not included in audited statements." What is that?

Mr. Shoreman: Mr. Boyer and his office. That is an office in the Ministry of Tourism and Recreation.

Mr. Chairman: Do other committee members have questions on these two statements?

Mr. Warner: Yes. Does the 1984 figure, which appears to be approximately \$48.3 million when we include the road, include the approximately \$600,000 for the cabins?

Mr. Chairman: No. That is a 1985 expenditure.

Mr. Warner: It is a 1985 expenditure?

Mr. Boyer: There is \$200,000 of it to March 1985; \$400,000 is in the current year.

Mr. Warner: So the whole \$600,000 is outside the figure we have arrived at so far?

Mr. Boyer: No. It would be--

Mr. Shoreman: It is not included in the investment figures; you are right.

Mr. Warner: I understand approximately \$600,000 is committed for a sewage treatment facility; that money has been allocated. It would be 1985-86--

Mr. Shoreman: No, it has not been allocated.

Mr. Warner: It has not been allocated? Has the expenditure been approved?

Mr. Shoreman: No.

Mr. Boyer: No; it is a need.

Mr. Warner: So for our purposes at this point--we are trying to get a handle on total public expenditure, and my figures show approximately \$48.9 million. That is the total. We may be able to push it higher.

Mr. Chairman: Let us try to ask some brief questions on these statements. I do have a speakers' list; so let us try to be quick.

Mr. Mancini: I think we are wasting our time here trying to negotiate back and forth on these figures. If we cannot come to an agreement within a few minutes about how much public money was spent and from where and when, we need to take a different tack. I believe we either need to ask the Provincial Auditor to come in--

Mr. Chairman: Could I ask for a question instead of a statement from you?

Mr. Mancini: This is going to lead to a question. Either we need to have the Provincial Auditor come and use his powers to obtain documents and things and come to a conclusion or we need to hire an outside firm to come in.

I want to ask these gentlemen why it was so difficult to come up with these figures, and would they not agree that my suggestion might clear the air?

Mr. Boyer: We have presented to this committee what is a complete record of all moneys going to the companies and being spent by them, based on our private-sector, independent auditor's

certification of all the expenditures. We have gone further than that; for the year ended March 31, 1984, we have supplied you with the auditor's statement of what we have spent and of the financial condition of the companies, giving the nonfinancial transactions with regard to depreciation and amortization. I am not sure what you are going to gain from having someone else do it.

Mr. Shoreman: May I help to clarify what is in these figures and what is not?

Mr. Chairman: Sure.

Mr. Shoreman: The figures you have before you on investment include everything up to 1984, audited. They do not include the highway or the additional investment in the cabins. They do not include the sewage treatment plant, which is an identified need and for which no allocation has been given yet. Everything else is there.

Mr. Treleaven: Except the agricultural and rural development agreement.

Mr. Shoreman: It does not include the ARDA work, because that was prior to the acquisition of the company; it was part of the acquisition of the companies and was lost in the transaction of taking over the companies.

Mr. McClellan: When we were at the lodge, we had some discussion about what the operating subsidy from the Ministry of Tourism and Recreation was. I want to get this clear for the record. I am referring to schedule B of your statement of income and deficit for the year ended March 31, 1984; under "Deductions" there is a loss before depreciation and amortization of \$875,552, etc. I assume that line represents the operating subsidy from the ministry--

Mr. Boyer: That is correct.

Mr. Boyer: You should add both companies together, as it is done on the covering--

Mr. McClellan: Okay. So in 1984 you received an operating subsidy of \$988,000 from the ministry. I assume that is an unaudited statement.

Mr. Boyer: Yes.

Mr. McClellan: In 1985 you received \$586,192 as an operating subsidy, and you are projecting an operating subsidy of \$280,000 for 1986-87. Or is that a calendar year?

Mr. Boyer: In 1985-86; that is an operating subsidy.

Mr. McClellan: That is 1985-86. So we are 1983-84, 1984-85 and 1985-86. Okay.

11 a.m.

Mrs. Marland: On the bottom of schedule A it says, "The 1986 estimate includes the 24 rooms made available by renovating six staff cottages to guest accommodation." Is that work to be done in 1986? The work we were talking about this year was the refurbishing of those fourplexes or whatever you call those luxurious cabins. That is not these. This is staff cottages that are being changed, is it?

Mr. Boyer: These are the new accommodations. The renovation of staff cottages for guests and the operation of those are reflected in schedule A. The capital cost is not included.

Mrs. Marland: Michael, do you know the buildings I mean that we were in, beside the tennis courts?

Mr. Boustead: They are the same.

Mrs. Marland: Are these the same?

Mr. Boustead: Yes.

Mr. Rubinoff: The 1986 refers to the fiscal year 1985-86.

Mrs. Marland: That is why. This was the first year they were operating.

Interjection: Yes.

Mrs. Marland: Okay. I have another fast question on schedule A. I am at a loss to understand--I would assume that a statement of income and deficit would be the total cost of operating anything. I cannot see how Minaki Lodge can operate without insurance, without taxes and without paying for a manager. Can you explain to me why the profit or loss, halfway down the page, is listed before insurance, taxes and management fees?

Mr. Shoreman: It is an accounting expression. That is gross operating profit. It is a method of presentation. The figure you are looking for would be loss before depreciation and amortization including insurance, taxes and management fees.

Mrs. Marland: That figure is after you add on other deductions?

Mr. Shoreman: Yes. If you look at the \$988,000 figure in 1984-85, for instance, that is the figure you would add.

Mr. Chairman: Are there any other questions on the financial statements? Make them quick and make them questions.

Mr. Warner: To return to the figure of \$31.6 million, which you identified as public investment, does that include all or part of the operating subsidy as identified through 1984-85, etc.?

Mr. Boyer: The \$31.6 million was your computation of the total expenditure by us?

Mr. Warner: Yes. I am using your figure.

Mr. Boyer: Does it include the operating subsidy?

Mr. Warner: Yes.

Mr. Boyer: Yes, it does.

Mr. Warner: It does. All the operating subsidy from \$988,000 etc.?

Mr. Boyer: From 1974.

Mr. Shoreman: The only thing to be included in that \$31.6 million is the accumulated interest on the debenture, which is noted on that sheet as well.

Mr. Bossy: I am looking at marketing. I know we have to market things, but we are talking about one lodge and we are looking at nearly \$500,000 in projected expenses to market one lodge. To clarify, what kind of marketing are we talking about? It has to be a very elaborate system of marketing to spend \$500,000 on marketing one lodge.

Mr. Boyer: Yes, that is the case. The marketing includes the direct sales effort from a Winnipeg sales office and an advertising program, and amounts to \$360,000 in the current year. The board of directors agrees with you, and said so to Radisson and the management a couple of years ago, that the proportion of the operating budget spent on marketing is too high. It is far in excess of industry standards.

But the comment by Radisson, which is after all responsible for providing us with a profit and which does not spend money carelessly, was that with a new property it is necessary to spend somewhat in excess of what is normal. After more than 10 years off the market, we were like a brand-new property and had to market more aggressively than, say, Montebello or Banff, to use a ridiculous example.

You will note that the amount for marketing has come down by more than \$100,000 this season compared with the 1984 season, the year ended March 1985. For the coming year, on the instructions of the board, I have advised management and Radisson that it must come down even farther.

Mr. Bossy: Which company is doing the marketing? What is the firm?

Mr. Boyer: It is handled by Radisson. Do you mean the advertising agency? It is selected by Radisson in conjunction with us. It is a Winnipeg firm, McKim Advertising.

Mr. Bossy: Are they doing the total marketing?

Mr. Boyer: No. They are doing the advertising segment, which amounts to about \$120,000 for space, broadcast time and literature.

Mr. Chairman: Okay. I am going to stop you there. This is not the public accounts committee and we are not the Provincial Auditor, but it is relevant that we attempt to get some reasonable estimation of the amount of public money. By my little calculator, I am at \$49.5 million, and there are still additional amounts on ski hill and some other operational grants I am not clear on.

What I am going to propose to the committee is that we turn all this over to Mr. Eichmanis, who will have another kick at the cat to provide the committee with an estimated amount of funding.

Mr. Mancini: I am not particularly pleased with that.

Mr. Chairman: What do you want to do?

Mr. Mancini: This place has been in operation long enough for the people of Ontario to know exactly what it has cost.

Mr. Chairman: Yes.

Mr. Mancini: We should make a decision this morning. John is not an accountant; he is a researcher. We have already tried to go that route. We are discussing the situation with these gentlemen. We cannot come to a conclusion. We need a decision as to whether we turn the whole matter of cost over to the Provincial Auditor.

Mr. Chairman: Again?

Mr. Mancini: Again; or if the committee feels like it, to have an outside firm look at it. We are talking about \$50 million.

Mr. Chairman: That is fine. When we come to the stage where we debate what goes into the committee report, and we debate and vote on what the recommendations will be, that is very much in order. All I am saying is that we are in the middle of a hearing process about the operation of this agency and the financial considerations are part of our concerns, but they are not the total aspect of our concerns.

Mr. Mancini: I do not believe we can have a very thoughtful discussion unless we know exactly how much funds have been expended. We have to know the total and how the funds were expended. I am not sure how we can get to the second point when we cannot clear up the first point. It should be ongoing right now, as we are discussing these other--

Mr. Chairman: Looking around the room, seeking some guidance from my committee--

Mr. Marland: I agree with your statement, Mr. Chairman.

Mr. McClellan: Let us come back to it.

Mr. Chairman: I would very much like to come back to it, but there are other matters to be--

Mr. Warner: I appreciate what Mr. Mancini is raising. However, at the risk of appearing to be someone who falls into the trap of saying, "What's a million?", we have come reasonably close. We are not the public accounts committee. From the statements provided and the questions asked by Mr. Eichmanis and others, we have a sense of the area.

We have some idea of the magnitude. The other questions as to the viability and the potential are more important. The actual nitpicking over the figures is something that can be done by auditors and so on later. To do that now would detract from the main purpose.

Mr. Mancini: Excuse me. I apologize for prolonging this debate. That is not my intention. I do not want to nitpick, and I do not want in any way to forestall what we want to do about policy areas and making decisions on policy matters, which our committee does very well, but I think we are leaving one of the most important subjects of the whole Minaki Lodge situation up in the air and turning it over to our researcher.

Mr. Chairman: No.

Mr. Warner: No.

Mr. Mancini: I will accept the suggestion of a majority of the committee--we work together here; we are not interested in causing divisions--but, frankly, I would not be satisfied, and I think many people would be disappointed, if after we write our report we were to say, "One of the things we have asked the Legislature to do is to turn this over to a private accounting firm to clarify the figures for us." I would like to have that done prior to the tabling of our report and to have that as an appendix.

11:10 a.m.

Mr. Chairman: I do not mean to imply for a minute that we are leaving these numbers. I would not want to leave that impression with you. I do think it makes some sense that John has an opportunity to go over the information, some of which has been presented to him at just about the same time as you saw it. I would like to have a staff report on those numbers.

If the committee is of a mind to investigate that further, I caution you this much: This is not the public accounts committee. We are not charged with that responsibility. We have a different mandate. I do not think it excludes looking at these numbers--which I find quite fascinating--but we are supposedly looking at an agency, how it functions and its relationship to the government; so we have a somewhat broader mandate.

If this were the public accounts committee, where essentially we were looking at the expenditure of public moneys almost exclusively, then we certainly would proceed on this at some great depth.

Mr. Warner: Let us move on.

Mr. Chairman: Is it acceptable that we proceed then?

Interjection: Yes.

Mr. Chairman: Okay. I have a couple of other general questions. I heard you say, Mr. Boyer, that you consulted on the way through in the design of the facility. I am intrigued by how we built a lodge in northern Ontario, in an extremely cold climate, where the doors open directly to the outdoors. How did that happen if we consulted?

The lodge is a beautiful kind of thing. It would be wonderful in the Caribbean to step out your front door directly into the fresh air, on a nice warm, winter day; but in Minaki--I have not been there in the winter--I can guarantee that stepping out that door in midwinter is not a thrilling experience.

Mr. Boyer: You express a criticism of the bedroom wings with which the chairman would agree.

Mr. Chairman: To my mind, it would preclude the year-round use of that facility. I do not know how guests would get from the lodge portion to the main part, for example, where they eat, without some chance of frostbite.

Mr. Boyer: Not to excuse what was done, but our project manager is from Minneapolis, which is not noted for its balmy, Caribbean breezes. Our architect, from Sault Ste. Marie, has done other hotels and motels in northern Ontario. My recollection of the discussions at the time was that it was a cost factor--

Mr. Chairman: It must have been one of the few brief thoughts of cost factors on the way through. Excuse me, I am being facetious; it is quite wrong of me.

Mr. Boyer: No. That is all I have to say. I think many people would agree. If we could afford second thoughts, that would be an area to--

Mr. Chairman: I guess the relevant question is, how do people from Minnesota and Sault Ste. Marie build a facility in northern Ontario that is like a hotel in the Caribbean? The whole concept quite baffled me. If this had been designed by somebody from Jamaica, I could understand, but it was not; it was built in northern Ontario, by people who are used to a northern climate.

If the end result was to build a lodge that could be utilized on a year-round basis, you do not build an entire lodge that opens immediately to the outdoors. You are mindful that it snows and gets cold and that guests who have to go from their room to a main lodge, which is 200 or 300 yards away, may not want to get out a snowmobile or dog-sled to get there.

Mr. Boyer: Agreed.

Mr. Chairman: One other point and then I am going to turn the committee loose on you. When we were there, we had some discussions about occupancy rates. I seem to recall a 67 per cent

occupancy rate was quoted, and the committee discussed whether that was seasonal occupancy or on a year-round basis.

I was left with the impression that the rate was somewhere around 67 per cent on a seasonal basis; you were not open year-round. Thus I was a little taken aback this morning to find the occupancy rate had jumped by about 14 percentage points.

Mr. Boyer: The occupancy for the season in 1984 was 74 per cent. I forget; what was it the year before?

Mr. Boustead: It was 62 per cent.

Mr. Rubinoff: Occupancy is always a percentage of the rooms available when you are open. The number of rooms available jumped this year when those cabins opened. Starting from June 1, when they opened, the number of rooms available increased. But occupancy is always the number of rooms sold related to the number of rooms available for sale.

Mr. Chairman: You must have had a hell of a three weeks after we left up there. Your average occupancy rate has gone up substantially. Explain these numbers to me.

Mr. Boyer: No. It has been high all this season. When you were there, the month of August was 89 per cent, as I recall.

Mr. Chairman: I am at a bit of a loss here. I was left with the impression, as Mr. Boustead just said, that last year's rate was somewhere in the sixties.

Mr. Boustead: No; that was 1983. Last year it was 74 per cent.

Mr. Chairman: Last year was 1984, as I recall.

Mr. Boustead: Yes.

Mr. Chairman: I was told there that last year's occupancy rate, when the rooms were open, was in the sixties. I seem to recall the figure was around 67 per cent.

Mr. Boustead: No. That is misinformation. The 1984 occupancy rate was 74 per cent.

Mr. Chairman: It was 74 per cent.

Mr. Boustead: The percentage we have given you today, which is on a year-to-date basis up to September 15, is 81.6 per cent.

Mr. Chairman: That is through your prime season. What you are telling me is that as you near the end of your season, your occupancy will drop somewhat and your percentage will drop somewhat.

Mr. Boustead: That is correct.

Mr. Chairman: Could you give me a good guess as to whether you will be up over the 74 per cent of last year?

Mr. Boustead: Seventy-six per cent.

Mr. Chairman: Seventy-six. So it is going up two percentage points.

Mr. Boustead: By the way, that includes 24 additional available guest rooms every day of the season. It is considerable.

Mr. Chairman: So what would your occupancy rate be this year?

Mr. Boustead: Seventy-six per cent, based on 144 room-nights available since June 1 of this year.

Mr. Chairman: Okay. So you would have an increase--

Mr. Boustead: Absolutely.

Mr. Chairman: --but it would be two or three percentage points.

Mr. Mancini: First of all, I would like to say that, from an aesthetic point of view, I think the lodge is lovely. The Radisson people are trying to do a decent job in running the place. I do not know the situation of the other officials involved in Minaki Lodge, but I assume everybody is trying to make what we could term a financial fiasco work. I am sure I speak for all of us when I say that basically all we want to do is to get the facts. We have been a long time waiting to get the facts, and now we have an opportunity to do so.

I am very interested in the financial spinoffs for northwestern Ontario. We talked about job creation and what this lodge was doing for Minaki, the small village outside the lodge, and how great it was. As I was driving through the small village of Minaki, it looked to me to be in a very depressed situation. I did not see much development going on. I did not see any construction whatsoever going on. I do not believe I saw anything remotely tied to the fact that we had spent \$50 million on Minaki Lodge affecting that small village.

I want to have a very clear indication from you people of what financial and social benefits the spending of \$50 million on one lodge in one particular area of northwestern Ontario provided to the people in the vicinity.

Mr. Boyer: It is not good enough, but one response to you is to contrast what I saw in that community between 1976 and 1980, the years it was mothballed, with what you see today. I assure you the prosperity of the community has visibly improved tremendously. You find that difficult to credit, but it is the case. We have 33 Miñaki residents employed there.

Mr. Mancini: Out of a total of what?

Mr. Boyer: The population?

Mr. Mancini: No, out of a total of how many employees.

Mr. Boyer: Out of 257.

Mr. Mancini: That is 33 out of 257?

Mr. Boyer: Yes.

Mr. Mancini: About 12 per cent?

Mr. Boyer: Yes. The population of the community is 300.

11:20 a.m.

Mr. Mancini: But 12 per cent of your employees are from the neighbouring community?

Mr. Boyer: Yes, about 10 per cent of the population.

The young people left the town 10 years ago. I know two young men, one of whom went into the construction business and the other into the restaurant business directly as a result of Minaki Lodge. It is a very big tourism region, and the community of Minaki is only a stepping-off place. All the lodge operators in the area have enjoyed increased business, and many of them have upgraded and expanded. Did you talk to any people in the neighbourhood stores, for example, or any residents?

Mr. Mancini: I must apologize for not being impressed.

Mr. Boyer: Not at all.

Mr. Mancini: We are talking \$50 million plus here, and we find that 12 per cent of the employees come from the neighbouring area. Many millions of dollars that could have been dispersed throughout northwestern Ontario have been sucked out and plunked down in one location.

Taking nothing away from the way the lodge works and how pretty it is, I need more information from you about the economic and social benefits for that part of northwestern Ontario. We are all interested in that. For the expenditure of this sum of money, we want to know who received the benefits, how it improved the standard of living and what social benefits are included.

I am not interested in some contractor who came over from Winnipeg and happened to make a bundle of money building Minaki Lodge or doing some work for you. That is part of the construction business, but it does not give long-standing benefits to the community in which this money has been spent. To say that construction jobs were created at one time and all this other stuff does not satisfy me as to whether the expenditure of this money did even a small amount of--

Mr. Boyer: I did not mention construction jobs. I referred to opportunities that have been exploited by Minaki

residents. On the Minaki employment situation, I made reference to having a registered nurse in the community for the first time. The community has that because Minaki Lodge exists.

Mr. Boustead wants to add something.

Mr. Boustead: Can I say a few things? Having lived in Minaki for three seasons, my observations are as follows. I perceive that my goal as general manager of Minaki Lodge is to promote Minaki Lodge as a first-class-destination resort and conference centre, something that not only northwestern Ontario but also central Canada has been without for many years. Minaki Lodge now provides that facility.

I believe Minaki Lodge will attract much activity to northwestern Ontario in the very short term. When we talk about the area, I do not think we should concentrate on Minaki, a tiny village of 350 occupants. We should talk about the Kenora region, which is most definitely benefiting from Minaki Lodge.

One of the most exciting possibilities, as far as I am concerned, is that now, after two years of operation, we are looking forward to direct, nonstop air service into the town of Kenora from Minneapolis-St. Paul, a centre of several million population and headquarters for many large corporations.

The people we have brought to Minaki Lodge on site visitations are absolutely thrilled with what they see. Their one holdback is, as they have frequently said to us: "We love your lodge. The country setting is perfect. The fishing potential is great. We will bring our people to your lodge when we can get them in and out in a fairly reasonable time."

Starting in 1986, that air service will be available, and I believe it is being put in place because Minaki Lodge has tipped the scales of its being a viable service into the region.

Mr. Mancini: Let me stop you there for one second. You were saying earlier that you have 74 per cent occupancy. I think we are splitting hairs here. You are saying that if we get this air service, we can have more people in the lodge.

Are you looking for 90 per cent occupancy? If so, what difference, in hard figures, is that extra 16 per cent going to make to the lodge in jobs for the community and in spinoff effects? We are talking about only 144 rooms. You are saying that if we sell an extra 10 rooms a day, then everything is going to be perfect. Frankly, I cannot buy that.

Mr. Boustead: In the hotel business it is a fact that when you open a facility, especially a resort, for the first couple of years you have to invest a lot of effort and marketing dollars to establish yourself. What I am saying is, now that we are established, we are very confident in our product, and we can charge the price we believe it is worth and compete with various other long-established resorts.

I can assure you that our operating statement is going to look considerably healthier now that we are entering into two or three years of operation.

Mr. Mancini: If you go to 90 per cent occupancy, how many more jobs is that going to create immediately?

Mr. Boustead: Off the top of my head?

Mr. Mancini: Yes.

Mr. Boustead: I would say perhaps 40.

Mr. Rubinoff: Mr. Boustead and I were not involved with the decision to build Minaki Lodge or to spend the money. I find it very difficult for us to be sitting here defending that. We now have the responsibility of making this hotel successful so it costs the people of Ontario as little as possible. I do not think we can sit here and defend what was not our decision.

Mr. Mancini: I appreciate that, but it is pretty hard for us to sit here and ignore \$50 million.

Mr. Rubinoff: That is right, but we are doing everything we can to create revenues for the province. Probably 65 per cent of our business comes from Manitoba; those are people who would not have come to that area before. We are bringing in bar associations, accountants and all kinds of people who are having their meetings in Ontario, who probably would not have done it before, because it is very convenient for them.

We are doing everything we can to bring revenues into this province. Right now we have a hotel that is built and we are trying to operate it as well as we can. We cannot sit here and defend the decision to build it, because that was not our decision.

Mr. Chairman: We appreciate that.

Mr. Boustead: I was leading up to making a point. I am sorry I was so long-winded.

Mr. Chairman: That is always dangerous here.

Mr. Boustead: What I was getting at was that, with this new air service coming into the region from various directions, that in turn will allow--and this where the spinoff comes--every private operator of various small fishing camps, etc., to go to various sports shows in Chicago, Minneapolis, Iowa and all over the place to tell their potential clients they can now fly into northwestern Ontario. They no longer have to sit in a vehicle for 10 hours out of Minneapolis or 13 from Chicago; they can be there within an hour and a half.

That is one of the most exciting possibilities for that region of Ontario.

Mr. Mancini: Could I have a final 30 seconds? I understand exactly the point you are making, and you are absolutely right; it was the political masters at the time who made these decisions, and they are not yours. At the same time, we are looking at possibly investing more money there. We are looking at a sewage project that may end up costing \$1 million, I am told

the roof leaks someplace and there are other things you want to do. This is all money that cannot go anywhere else in northwestern Ontario, once it is put into Minaki. I am saying we have to be fair to all the people of the region.

Can we continue to justify millions upon millions of dollars in one small location while the rest of northwestern Ontario goes begging? That is basically the point I am trying to make.

11:30 a.m.

Mr. Rubinoff: It is not our idea to spend any more money in Minaki if possible. The money that was spent this year had an offset--that is, the extra revenues we bring in--and, fortunately, it has worked out very well. If we ask for any more money for operating, it would be for the same thing: to convert more places to bedrooms to bring in more revenue. That is a business decision.

The sewage one bothers me a lot more than it bothers you, because it is not going to bring one extra guest into the place. Nobody is going to say, "I love the place because I love the sewage system."

If you were the owner of that place--

Mr. Mancini: I would sell it to the government.

Mr. Rubinoff: --and you had \$50 million in it and somebody said, "If you do not spend \$600,000, you are going to close it next year," what would you do? That is the kind of decision we are facing. None of us likes that.

On the other hand, we have an offset now that will bring enough revenue into the area that the \$600,000 has to be spent. If that is your decision, either that or close it, I cannot recommend closing it.

Mr. Mancini: I do not know what the government is going to do. We have a minister who is going to look at it very carefully, but we as legislators have to try to represent all the people.

We cannot keep pumping in millions after millions of dollars and then tell the neighbouring communities, which are looking for improved roads and for job opportunities, "We have to spend a few extra million for Minaki here, and when we get that straightened out, then we can take care of you."

There comes a point in time when that is no longer justifiable, and I think we are getting close to that point.

Mr. Rubinoff: I do not agree with that. We have the \$600,000 hanging like a rock around our neck. On the operating side, we are trying to get to the point next year where we do not have to ask the people of the province to pay anything. We are hoping finally to get to where we have tried to go: not requesting any extra funding. This year the figure is \$370,000, and we are hoping to beat that by \$100,000, so it maybe will be \$270,000; and

then there is the \$600,000 for the cabins. We are hoping that next year it will be very little more, if any, than the \$600,000 for the sewage system.

We are not talking millions any more. None of us wants to do it. The board is the same as you; everybody is sitting there and saying, "We do not want to spend any money." We do not want to take any money from anybody here. The spending, I hope, is over for everyone.

Mr. Chairman: Mr. Warner, for some short, succinct questions.

Mr. Warner: Why am I the only one you give those instructions to?

Mr. Chairman: Because you bring to each day a reputation from the previous day.

Mr. Warner: The quality is there, though.

I have one aside to add to Mr. Boustead's remarks, to which I listened very carefully. The chairman might disagree with the one aspect. You were glorifying the fishing, and I am not sure he can attest to that personally.

Mr. Chairman: Now you are out of order.

Mr. Warner: I thought the fishing was fine, but apparently the chairman did not.

First of all, just to clear the air, my impression of the management was that it was doing a fine job, and there were no complaints about whatever arrangements you have made in terms of the services provided. Mr. Boustead seems to have things well in hand and is doing a fine job.

Mr. Boyer, have you been associated with this project from the beginning?

Mr. Boyer: Yes, I have.

Mr. Warner: The beginning, I guess, was 1974?

Mr. Boyer: Yes.

Mr. Warner: I realize the very best thing would be to have the actual politician in front of us who made the decision back then, but we do not have that luxury. Since there is a new administration, you probably should feel somewhat comfortable in offering some observations without fear of reprisal in any way.

I wonder if you could give us your candid observation, having gone through it from 1974 to date, as to whether this whole project was a mistake from the outset and should never have happened.

Mr. Treleaven: That is not leading at all.

Mr. Chairman: It is not your job.

Mr. Warner: It is not his job any more.

Mr. Boyer: Dr. Warner, as I lie on your couch--

Interjections.

Mr. Warner: You have answered the question.

Mr. Chairman: Next question.

Mrs. Marland: Did you get the OHIP number?

Mr. Warner: I do not know whether you have the authority to answer this question, Mr. Boustead, but can you indicate whether Radisson has it in mind to purchase Minaki and take it over?

Mr. Boustead: I do not believe that is the case. Radisson Hotels are not purchasing any hotels at this time in their development; they are a hotel management company.

Mr. Warner: Strictly; so they have no interest. Does Mr. Rubinoff know of any private concerns that have expressed an interest in purchasing Minaki?

Mr. Rubinoff: No, none whatsoever. We discussed it at a board meeting. If you were to put Minaki on the market right now, because it is loss-making and it would require a lot of capital and a lot of interest, I do not think you would be able to find a buyer.

Mr. Warner: I appreciate that. I could be wrong, but one of the things I am wrestling with is that in most cases when you operate a hotel, every so many years you have got to make some renovations and there are capital costs involved. Taking an unscientific, close look at the buildings, it would seem to me that the lodge portion--not the cabins, but where the apartments are--probably is going to require some major renovations in about 10 years. Would that be a reasonable assumption?

Mr. Rubinoff: I would think the major renovations in the 10-year period would be the bedrooms themselves; they would all have to be renovated somewhat.

Mr. Warner: Not the basic structure?

Mr. Rubinoff: No. The structure should stand fairly well.

Mr. Warner: If the scenario is that you are going to be turning a profit in 1986, 1987, 1988 and so on, and the place were for sale at that stage, it would appear more attractive to a buyer. The buyer at the same time, though, would look at possible renovations as an additional cost--"We are buying Minaki and then we have to make renovations"--whereas if a person buys Minaki now, he does not have any renovations to do; they have all been done.

Mr. Rubinoff: Yes. Most of it is pretty new.

Mr. Warner: Maybe that is a six-of-one-or-half-dozen-of-another approach to it. Has the board had discussions about whether it would make an effort to get an appraisal of it in an attempt to suggest that this thing should be put on the market?

Mr. Rubinoff: Our discussion was related to what value it might have if we want to sell it. We have an accountant on the board who works with a lot of hotels in that region too. I think Mr. Mancini's price is probably the closest to what we might get at this time. It just does not have a market value; it is a very expensive hotel to operate, with no profit. We did not feel it had a market value at that point. That was before we opened the cabins; it is a little more attractive than it was.

Mr. McClellan: Sorry. What was Mr. Mancini's price?

Mr. Rubinoff: A dollar, I think it was. Our feeling was that at this stage it does not have a market value to sell it. We have no reason to want to hold on to it ourselves. If we thought it had some value to someone and we could get it off our hands, we would do that. None of us is married to the project.

Mr. Warner: Right. I gather that the board--there are five members on the board?

Mr. Boyer: Seven, including Mr. Shoreman and myself.

Mr. Warner: The board members who are not civil servants have hotel management experience. Is that correct?

Mr. Rubinoff: Would you like me to go over that for you quickly?

Mr. Warner: Unless it was covered earlier.

Mrs. Marland: We should have it on the record.

Mr. Warner: Yes, please; if you do not mind.

Mr. Rubinoff: All right. We have an accountant from Kenora, Mr. Viinikka, who handles quite a few of the places in that area. We have Mr. Young, who is a lawyer from Thunder Bay but also owns the Best Western in Dryden. We have Liz Conway, who has been a hotel operator and now is involved in looking after the marketing for Horseshoe Valley. We have Gene Nori, who is a hotel owner in Sault Ste. Marie, and myself. I was in the business for quite some time. We have all had experience in the business.

11:40 a.m.

Mr. Warner: Have you done a formal appraisal? Have you had someone come in and do an appraisal of the value of this property?

Mr. Boyer: Yes, we did. We had it done for insurance purposes at a time when the first round of construction, 1974-76,

was done. The only part of the second round of construction that had been completed was the movement of guest cottages from where the bedroom wings are now to where the cottages are now; I think that was about a \$700,000 contract, not significant in terms of the \$22 million spent.

That appraisal indicated a value of \$11 million for what existed at Minaki Lodge and Holst Point, not including land. But, as Mr. Rubinoff points out, the value on the market is not \$11 million.

Mr. Warner: I can appreciate that. I am just trying to get a sense of--

Mr. Rubinoff: If you want to look at that, the time to look at it would be when we turn the corner and it stops draining money. When it is not costing an operator money and he can look at it and say, "If I run this myself, I have a chance to do this or that with it," that would be the time to do it. Right now, looking at last year's figure of \$650,000, you are not going to find an operator who would want to take it on. Why would he?

Mr. Warner: The other option is to have a fire sale and just clear the thing out.

Mr. Rubinoff: Sure. We always had that option. Just as a matter of interest, before the present property was built, they tried almost to give it away and no one wanted it.

Mr. Warner: It would make a great senior citizens' home.

Mr. Rubinoff: That was only one of the ideas we thought of.

Mr. Boyer: It could be a halfway house for the correctional system.

Mr. Chairman: A halfway house for the correctional system?

Mr. Boyer: Yes.

Interjection.

Mr. Warner: I have one final question. One thing that disturbs me a little is that if this continues to operate--and to be quite candid, from everything I know so far, I think we should get rid of the thing, and the sooner, the better--ultimately you are going to have to make renovations. You are going to have to make changes down the road. There is going to be more public expenditure. It is not too tough to turn a profit if the capital is being picked up all the time. I would love to run a pub that way. I am going to put in for a grant.

Mr. Chairman: There is a question?

Mr. Warner: There is a question. I understand your practice is to go to the community colleges to hire young people

who are taking the hospitality courses, but I believe most of the hiring is done in southern Ontario. If that is true, I wonder whether it is not possible to make an arrangement with Confederation College, through its campuses in Fort Frances and Kenora, to operate those courses in conjunction with what your needs are.

In that way you would be employing northern students instead of raiding southern Ontario colleges, whose students have a little better shot at jobs down in the south than the folks in the north do.

Mr. Boustead: Your assumption that most hiring is done in southern Ontario is not really accurate. We have a specific guideline that whenever possible we do hire local people, if not in Minaki, then in Kenora; we also advertise in Fort Frances, Thunder Bay, Atikokan and various places in northwestern Ontario.

It is true, as you suggest, that we make a point of recruiting from colleges within Ontario. In fact, we recruit from six of them, including Confederation College. My figures indicate that this past year we recruited from the specific colleges about 30 or 40 students who are halfway through a co-op course in hotel management.

Mr. Warner: Is that 30 or 40 students from Confederation?

Mr. Boustead: They are from the total colleges we recruited from. We had 10 students from Canadore College in North Bay, 11 from Fanshawe College in London, eight from Georgian College in Barrie, two from Confederation College in Thunder Bay, and four from George Brown College.

The reason we were not able to recruit more from Thunder Bay is that the type of course it provides for hotel management is not compatible with our operating season, while the other colleges do make allowance for that.

Mr. Warner: I am kind of keen on this, partly because it is my critic area and partly because I get a little disturbed since I understand a little about the northern situation. First, I would suggest one thing to do would be to go back to Confederation College with a proposal. Second, I would be very pleased to be involved in that, because the colleges have a mandate and they know what it is; they are supposed to train young people to meet the needs of industry. One component of that mandate is to look at very specific industrial situations and to try to be flexible to meet those needs. If they are not doing that, as you are suggesting, then we have to straighten things out.

I would appreciate any correspondence on that, because I think it should be a priority to try to get jobs from the north. Of course, Confederation can perhaps alter the way it operates and mount courses in Fort Frances and Kenora. I do not know the facilities, frankly, but maybe it can do that, and that would localize it even better than coming from Thunder Bay.

Mr. Boyer: Mr. Boustead has worked with Confederation College and has offered courses using the Minaki Lodge facilities.

While we may not have luck in recruiting at Confederation, we are only one of a kind in the whole north; so to fulfil their mandate of meeting community need, they may be doing it for tourism and not necessarily for us.

Mr. Warner: I appreciate that. But I would like tackle that a bit, because the numbers you have given me disturb me.

Mr. Boustead: I would like to say that the majority of our employees are recruited from Thunder Bay and in northwestern Ontario.

Mr. Warner: I understand that. I was concerned more specifically about the community college involvement.

Mr. Boustead: I understand.

Mr. Warner: I would sooner see Confederation involved directly with kids from that area than Fanshawe or George Brown.

Mrs. Marland: I would like to express at the outset the fact that I was very impressed with the general manager of Minaki Lodge. The province is fortunate to have Richard Boustead in the position he is in. I probably should express my sympathy because he has had a tremendously difficult task for three years and I cannot imagine we would ever have had anyone more competent than Mr. Boustead in that position.

I also appreciate Mr. Rubinoff's frankness. Certainly the current board is not here to defend the decision that brings us to the discussion we are having today. However, all aspects of the discussion we are having today are necessary, and the interesting outcome of the whole subject of Minaki is that perhaps it is this committee that will be put in the position of defending whatever decision is made.

At this point I have a great deal of difficulty in suggesting we should defend it. I have not made a decision yet about where I think our committee should go in its recommendations. I am trying to be very fair and very objective.

It is a little unnerving to hear a very factual statement, Mr. Rubinoff, which I agree with, when you say you do not think we would be able to find a buyer and there is no market value in an expensive hotel that is not making a profit. I cannot help but concur with those comments.

When you talk about looking ahead to the future of Minaki Lodge--it now has 144 rooms, and you are saying it is being promoted as a conference centre; maybe this question is to you, Mr. Boustead--do you see the facility today as being large enough at 144 rooms to become the international conference centre it is being promoted as?

11:50 a.m.

Mr. Boustead: I would make the distinction between Minaki Lodge being a conference centre and its being a convention

centre. I know there is a market for mid-sized conferences, which Minaki's facilities can cater to very adequately. I have no qualms about promoting Minaki in its present size.

Mrs. Marland: You do not see a necessity to add additional accommodation in the next 10 years?

Mr. Boustead: I am very enthusiastic about Minaki Lodge. I am very optimistic about it, and I tend to include optimism whenever I am speaking to my board of directors. They keep me in line and tell me to be realistic and not too optimistic. I think we are being very realistic at this time. We could convert some more cabins. We could add a few more guest rooms to our inventory, and the public space could still fairly adequately cater to those additional guests. But I do not see anything of any considerable size, any massive renovation, taking place in the next 10 years.

Mrs. Marland: Could we address the aspect of public space? Although I did not go fishing, I did spend some interesting hours talking to guests at the resort. The one comment I heard was that the public space was limited. There is one place to eat and apart from the library, which is limited in its seating, there is only one place to sit, other than in your room. There are not a lot of public areas; so the main lodge's physical space is limited, as it is today. Would you agree?

Mr. Boustead: No. I would disagree. Even when the lodge is filled to capacity, the public spaces frequently do not reflect that; there are areas of the library, a 100-seat lounge, a north veranda behind the fireplace and a main rotunda in front of the fireplace. Compared to most facilities of 144 rooms, we have excellent public space.

Mrs. Marland: When the original two wings were designed and built, was it anticipated at that time--I realize you were not part of the decision--that there would be sufficient rooms to operate the resort? Did you find you needed the additional rooms that were created by the renovation of the cabins this year? Did you need more bedrooms to sell to carry the resort?

Mr. Boyer: Yes.

Mr. Boustead: I cannot respond to the first part of the question. I can respond to the 24 additional rooms. It was my proposal that brought that about. There was definitely a need for more bedrooms. We were turning away a lot of business. I proposed to the board that we do this renovation, and it has proven to be most satisfactory, most successful.

Mr. Boyer: When the public space was designed, Mrs. Marland, it was designed for 200 rooms.

Mrs. Marland: Oh, was it? Was it cut back?

Mr. Boyer: Yes.

Mr. Chairman: If I might stick my nose in here--

Mrs. Marland: I have almost finished my comments.

Mr. Chairman: Okay. I am prepared to let you go and we will run over it a little; then we have two or three other people who want to ask some questions.

Mrs. Marland: I can finish in a couple of minutes.

You were asked by a previous speaker about future capital expenditures other than the sewage treatment plant for next year. It was drawn to my attention that the roof of one of the new wings was going to be in need of repair. I do not know how major that is.

Mr. Boyer: Neither do we at this time. We have just seen the report from the project manager, at about the time of opening and without a copy to the company, indicating corrective action. What we will do is investigate whether the corrective action recommended is adequate and who is responsible for that corrective action.

Mrs. Marland: That was my next question. You have a three-year-old building which, from the interior of the rooms, I would judge is an expensive building. I also expect it was well built. I would anticipate that there would be some responsibility and some liability on the part of either the architect who designed the roof, the support and the trusses and so forth or the contractor in the implementation of the design. Do you see a possibility of that repair not costing the lodge anything?

Mr. Boyer: I would rather not comment until we have investigated further.

Mrs. Marland: Is that the direction in which it is going to be pursued, that in a three-year-old building of that size and cost it should be somebody's responsibility?

Mr. Boyer: We intend to determine whether there is responsibility by another party.

Mrs. Marland: Okay. This will be my final question, Mr. Chairman, since you are starting to move on your chair.

Is the 76 per cent occupancy of a seasonal resort a fair figure? Is that how you can evaluate occupancy of something that is open six months a year? Can you say that 76 per cent of its capacity is being used in the six months it is open?

When you evaluate that occupancy rate, do you have to take into consideration the cost of the other six months when it is not open and requires 12 people to staff it and the kinds of things that a building requires, such as heat being kept on and not being able to drain it and those kinds of things? In looking at it as an operating expense, is that ever reflected in the 76 per cent occupancy?

Mr. Rubinoff: It is not reflected in the occupancy figures, but unfortunately it is reflected in the loss figures. Whatever we make all summer, we have been having to spend too much

over the winter to keep the place. On the other hand, the alternative is to open it in the winter, and in our estimation we would lose a lot more than that.

Mrs. Marland: When the architect designed the additional two wings--I guess it is three, with the convention centre part and the two bedroom wings--why was it not designed to be able to be winterized so it could be shut down completely?

Mr. Boyer: It was designed anticipating that we might open all year.

Mrs. Marland: Are the bedroom wings winterized?

Mr. Boyer: Yes, they are. The whole facility is winterized.

Mr. Rubinoff: The problem is the corridors, which are open. That is definitely a problem. The bedrooms themselves are winterized. In fact, the first year they were all kept heated. There is no problem with people staying in the rooms in winter.

Mrs. Marland: So it gets back to the chairman's point about getting from the main lodge to the bedrooms. Is that the only inhibitor to being open in the winter?

Mr. Rubinoff: No. Our inhibitor is what we consider to be the lack of business and the high expenses we would have to carry. We probably would be very quiet during the week and do great weekend business only. I am not sure what those kids would get up to during the week when there is no business either.

We cannot see it being a good winter operation at this point. We would definitely have to look at that outside corridor, because the guests would have to use it and the maids would have to use it. A lot of motels were built like that in Ontario, including the first ones we did; they did not have inside corridors but they worked all year. It can happen, but it is not very convenient.

Mrs. Marland: It would not be a problem keeping the airport open any more than any other airport in the north.

Mr. Boyer: That is correct.

Mrs. Marland: You just blow it or roll it. Thank you.

Mr. Chairman: We will break now, and the committee will resume at 2 p.m.

The committee recessed at 12 noon.

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STANDING COMMITTEE ON PROCEDURAL AFFAIRS AND AGENCIES, BOARDS
AND COMMISSIONS

MINAKI LODGE

WEDNESDAY, SEPTEMBER 18, 1985

Afternoon sitting



STANDING COMMITTEE ON PROCEDURAL AFFAIRS AND AGENCIES,
BOARDS AND COMMISSIONS

CHAIRMAN: Breaugh, M. J. (Oshawa NDP)

VICE-CHAIRMAN: Mancini, R. (Essex South L)

Bossy, M. L. (Chatham-Kent L)

Marland, M. (Mississauga South PC)

McCaffrey, R. B. (Armourdale PC)

McClellan, R. A. (Bellwoods NDP)

Morin, G. E., (Carleton East L)

Newman, B. (Windsor-Walkerville L)

Sterling, N. W. (Carleton-Grenville PC)

Treleaven, R. L., (Oxford PC)

Warner, D. W. (Scarborough-Ellesmere NDP)

Clerk: Forsyth, S.

Assistant Clerk: Decker, T.

Staff:

Eichmanis, J., Research Officer, Legislative Research Service

Witnesses:

From Minaki Lodge Resort Ltd. and Minaki Development Co. Ltd.:

Boustead, R., General Manager

Boyer, F. J., President and Chief Executive Officer

Rubinoff, R. A., Chairman

Shoreman, M., Secretary-Treasurer

LEGISLATIVE ASSEMBLY OF ONTARIO

STANDING COMMITTEE ON PROCEDURAL AFFAIRS AND
AGENCIES, BOARDS AND COMMISSIONS

Wednesday, September 18, 1985

The committee resumed at 2:05 p.m. in room 228.

MINAKI LODGE
(continued)

Mr. Chairman: We will get started. On our 10th anniversary, we can take some liberty with the rules. For those of you who are poor, ignorant, recent first-timers, this is a momentous occasion in history. The class of 1975, the finest members the Legislature has ever seen, are celebrating their 10th anniversary today.

Mr. Morin: Does that include Premier Peterson?

Mr. Chairman: I think it does. I understand he is hosting a gala party tonight. He does not know about it, but we will tell him later.

We are ready to resume with the board of Minaki Lodge Resort Ltd. and Minaki Development Co. Ltd. Our next speaker is Mr. McClellan.

Mr. McClellan: Most of my questions have been answered in the course of the discussion. I just want to make sure I understand this morning's discussion. As Mr. Rubinoff was saying, your attempt is to maximize the revenue from the operation you have been entrusted to manage, which makes sense.

We are talking about optimum viability. As I understand it, the best you could hope to achieve would be to reach a break-even point where you would not require operating subsidies.

Mr. Rubinoff: We would not say it is the best we hope to achieve; it is the minimum we would like to achieve.

Mr. McClellan: I do not want to put words in your mouth. What is the best you would hope to achieve operating on a seasonal basis?

Mr. Rubinoff: In the short term, we would like to get the place so it does not cost the citizens any money. In other words, we would like what you see in front of you to go to zero. That is in the short term.

In the long term, how much we can take out of the place will depend on how many more bedrooms we can add. We will reach a point with the existing ones where either we will have to make the room rates go sky high or fill them almost every night, which would be tough, to get a lot more out of them.

We have not put a dollar figure on it as a target. The sale of the hotel was mentioned today. It would be marvellous if we could ever get it so that it has enough of a bottom line to be attractive to somebody. We have no desire necessarily to hold on to it for ever. In the short term, since our board was formed we have worked at eliminating the loss.

Mr. McClellan: With the present number of rooms, the present season and the present management, which I think all of us were impressed with when we were there, you think you can achieve the break-even target.

Mr. Rubinoff: We are hoping to do that next year.

Mr. McClellan: By 1986-87.

Mr. Rubinoff: There are only three ways after that: to raise the room rates, to raise the occupancy or to add more rooms, because bedrooms are the most profitable part. We are finding that this year. You can add extra bedrooms without adding a lot of extra people and can bring in a lot more revenue. Those are our possibilities. Those are three things that still could be done.

Mr. McClellan: Your rates are not low now, and I would guess you could not go much higher in terms of the rates. Am I wrong?

Mr. Boustead: When we compare ourselves with other resorts of renown in Canada, higher rates are being paid in the marketplace. There is no doubt about it.

Mr. McClellan: Are they substantially higher?

Mr. Boustead: I would say \$25 to \$35 a night in addition to what we are charging now for our standard of operation.

Mr. McClellan: Okay. There is some room there. Regarding occupancy--I have read so many figures--you are already at 81 per cent.

Mr. Boustead: That is the season to date.

Mr. McClellan: That is not to be sneezed at. It is hard to see the occupancy going up a lot more.

2:10 p.m.

Mr. Rubinoff: That is right. There are spaces in what we call the shoulder seasons, April-May and September-October. The summer is getting pretty near the maximum. What we would really like to do is get to the position of Banff Springs where people start phoning you fellows up and say: "Look, can you possibly get me into Minaki Lodge? I keep hearing they are full all the time," and we stop having to spend \$300,000 plus on marketing because the place markets itself.

A great deal is spent on marketing now because we deal with groups, and we have to go out and sell groups to come up, but we would really love to get to the point where most of the people who came paid full rate, without advertising. That would save us an awful lot of money.

Mr. McClellan: I assume with respect to your third possibility, adding rooms, that you would not be coming back to the public sector for development capital, or is that a mistaken assumption? Would you be going to the private money market for any further expansion?

Mr. Rubinoff: I do not know. It would be up to the government to tell us how to do it.

Mr. McClellan: As a businessman, could you go on to the money market with the operation as it is now and raise capital for expansion?

Mr. Rubinoff: If I put a guarantee on it, yes. But as far as Minaki itself borrowing money, without the government's guarantee I would think it would be difficult.

Mr. McClellan: People are not going to put money into this as a business investment?

Mr. Rubinoff: They have not up to date. Whether they would, I do not know.

If we keep running the place well, it may have an attraction to people. It may have a value at the end of the year, but it is a question of what it is. If somebody came to you and said, "I will give you a million bucks for it," would you sell it for a million dollars? That is the question. The government would want to set a lot of conditions because it is doing some things it wanted to do. Once you sell it, you lose those controls. I am not sure what happens there.

But as far as adding extra money goes, if we have to add rooms--and we do not see doing it in 1986; it would probably be 1987--it would again be looking at some of the existing staff accommodation and seeing if that could be put into rooms. We have asked our designer to take a look at it the next time he is up to see whether we can convert more of the staff rooms into bedrooms. The difference between a conversion cost and a building-new cost is quite substantial. Building new was over \$100,000 per bedroom unit. With respect to converting, we did it for about \$25,000 a unit, including getting those living rooms as extras. If we included them, it was about \$20,000 a unit.

Mr. McClellan: The thing that still is very difficult for me is the seasonal nature of the operation. My colleague beside me, who is a professor of mathematics, speculated that 81 per cent on seven months works out to 47 per cent on 12 months. That is some kind of magical mathematical calculation which I do not understand. The point is simply that I doubt most conference centres of this size with this kind of capitalization would operate on a seven-month basis. Am I wrong?

Mr. Boustead: Jasper Park Lodge, St. Andrews-by-the-Sea and the Algonquin Hotel do. May I add there is also a possibility of extending our season, be it that we do not operate on a year-round basis, but all efforts are and will be made to extend our shoulders as the years go by.

Mr. McClellan: You have 237 employees, maximum--

Mr. Boustead: At peak season.

Mr. McClellan: I know you have given us this, but I did not make note of it. How many are full-time?

Mr. Boustead: They are full-time seasonal employees. On a 12-month basis, there are about a dozen, but many of them are for 10 months of the year.

Mr. McClellan: How large a core staff can you hold together from year to year?

Mr. Boustead: We have been very successful so far in that the majority of our department heads have returned to us for a third season. We have lost a few along the way, but with various arrangements being made between seasons, we have managed to retain the services of most of our key people.

Mr. McClellan: Numerically, that is how many?

Mr. Boustead: Department head staff?

Mr. McClellan: Yes.

Mr. Boustead: Fifteen.

Mr. McClellan: What do the others do? I am curious. I am not holding you accountable for political decisions that were made, but the project was sold around here as a job-creation phenomenon, which of course it is, for the 237 seasonal folks less the 15 who are able to, I take it from what you say, obtain career employment on a steady and permanent basis. What do the others do? What are the work patterns of the other people who work at Minaki on a seasonal basis?

Mr. Boustead: The 40 students who were taking the co-op type of course would go back to school to complete their academic training. We have had several individuals enrolled in various courses for horticulture--for example, our head groundskeeper--who would return for the next season. We have an air-conditioning apprentice who works in our maintenance department and several situations like that. The remainder of the staff must be laid off.

Mr. McClellan: Do they hang around in the area or are they kind of itinerant moving to other resort areas?

Mr. Boustead: That is a trend, yes. Many of them would go to a winter resort; many of them do and return to us in the spring.

Mr. McClellan: They do come back?

Mr. Boustead: Yes.

Mr. McClellan: All right. Are there very many who will stay in the area on unemployment insurance between seasons?

Mr. Boustead: They will if they live in the area.

Mr. McClellan: Would you be able to estimate out of the 237 how many would remain in the Kenora district on unemployment insurance on a seasonal basis during the layoff and then come back to you?

Mr. Boustead: I estimate 75. That is a pure guesstimate.

Mr. McClellan: Yes, sure. Thank you.

I don't think I had any other questions, but I feel satisfied that most of the information I wanted to obtain has emerged either from Mr. Boyer's presentation or in questioning and answers this morning.

Mr. Morin: Mr. Boyer, in your opening statement you mentioned that the deadline was March 1980--

Mr. Boyer: Yes, sir.

Mr. Morin: That was the deadline to find a manager for the hotel. Am I correct?

Mr. Boyer: Yes.

Mr. Morin: Or the project would then be abandoned?

Mr. Boyer: Yes.

Mr. Morin: When you say "abandoned," were there any talks at that time that they would close the lodge completely?

Mr. Boyer: Yes, I believe there were.

Mr. Morin: Completely?

Mr. Boyer: Yes.

Mr. Morin: What alternatives did the government have at that time?

Mr. Boyer: Between 1976 and 1978 when the property was mothballed in an incomplete way, we were encouraged to attempt to sell it or consider alternate uses to a resort, and we did that for a couple of years without result.

Then in 1978 we got the cabinet decision to go ahead provided we got a professional management company. I don't know how widely the abandoned option was considered. I think it was

public knowledge at the time that that was the intent; certainly we took the deadline of March 31 as real enough. We had been discouraged by the number of major hotel companies that were not interested in the project.

Mr. Morin: What reasons did they give? Was it not viable?

Mr. Boyer: No. It made bad news and they did not want their company associated with bad news. I can recall vaguely the expression "the white elephant."

Mr. Morin: How much money had been spent at that time in 1980?

Mr. Boyer: Approximately \$10 million.

Mr. Morin: From 1980 to 1985 we can add on how many million?

Mr. Boyer: I do not want to get into this.

Mr. Morin: I am sorry.

Mr. Boyer: We can add on \$22 million.

2:20 p.m.

Mr. Morin: In other words, the problem amplified and snowballed. It became bigger and bigger all the time.

Mr. Boyer: The \$22 million is the second round of construction between 1980 and our opening in 1983. That was when the main building was completed, the convention wing added, the bedroom wings built and the cottages moved from where the bedroom wings are now to where the cottages are today. Did I mention landscaping?

Interjection: No.

Mr. Boyer: Various site service work was done. It did not snowball. We had the second round of construction with the results you see.

Mr. Morin: Mr. Rubinoff, I am not asking you to read any crystal ball--that is extremely difficult--neither do I want to put you on the spot. Obviously, the only organization, after hearing you this morning, that can afford to run this lodge or to maintain the assets is the government.

Looking at the financial statement, we see you are declaring a profit, if we forget the original capital expenditures. Is there any hope that some day we will be able to go back on the market and rebuild our reputation? We have invested \$18 million now and maybe in eight years we will have spent another \$25 million or \$30 million. Is there any hope we can at least receive half of our investment? That is a difficult question, I know, and Radisson is obviously doing an excellent job. But if it continues to go this way, is there a way out where the government could at least regain some of its investment? That is what I am getting at.

Mr. Rubinoff: I think there is a chance to regain some of the investment. I think your figure of half is probably high, as far as I see it. To get a company to lay out \$15 million means that the cost to finance that would be approximately \$2 million a year. I am not sure anybody can afford to pay \$2 million a year in finance charges to run Minaki Lodge. I think there is a chance of it being sold, but I think there would be a tremendous write-down in the books to do it.

Mr. Morin: So one way or the other it is a lost cause in the sense that it is not a money-making business for the government.

Mr. Rubinoff: It is not a big profit centre, no.

I guess there are two things to consider. One is the operation of the lodge itself and the other is revenues coming into the province for other reasons, on the gas tax for the fishing boats up there or from the \$300,000 in provincial sales taxes collected or from the income tax on the employees, or whatever. There is some money coming into the province as an offset of this.

As far as the hotel operation itself is concerned, we hope that in 1986 we get to the point where we are not making a loss. We hope from there to become profit-making, but I do not think there ever would be an enormous return--not on a 144-room hotel operating seven months a year.

Mr. Morin: No serious businessman would even contemplate purchasing it?

Mr. Rubinoff: I would point out there are a lot of hotel people in the world and there are only so many places to go--

Mr. Morin: Unless you come out with a brilliant idea.

Mr. Rubinoff: But the reputation of the place has improved. When I talked to Canadian hotel companies years ago, nobody wanted to touch it. They said, "I do not want somebody up in Queen's Park saying why did the Holiday Inn lose \$2 million this year?" The place has developed a nice atmosphere. We did some research last year and the results were incredible. Between 90 and 95 per cent of the people said they would either come again or recommend a friend. So people are feeling pretty good about the place.

Even one of the major Toronto newspapers that never wrote a good word about us actually sent a travel writer up there who was very pleased. So the place is starting to have a nice feel about it. That negative part of it has gone. Then it becomes a financial matter.

Mr. Morin: If the government were to issue shares, would you buy any shares?

Mr. Rubinoff: No, but I am not investing in a lot of other hotels at this point either.

Mr. Morin: Okay.

Mr. Rubinoff: I think it is a difficult property to run and make money with at this stage. If you sold it for \$1, somebody would have a real shot to make some money at it, yes. If it were a couple, for instance, if Mr. Boustead and his wife were to buy it for \$1 and run it and say, "We will do it ourselves, gratis," they just might make it.

We can develop a reputation for this place. If we stop spending so much money to market it and knock that out of the expenses of the place, then all of a sudden it again becomes very attractive. It has a chance and that has to be our ultimate goal. We have had a talk about it at the board level eventually to sell it to someone because we do not necessarily fight for the government to be in the business of running a hotel.

Mr. Morin: Mr. Boustead, I noticed you mentioned 10 native people on your staff. We have in the whole of Ontario approximately 60,000 native people. Are any efforts made to encourage them to go to some form of training so they could be hired by you?

For instance, you mentioned gardening, cooking, whatever trades you require in your industry. Are any efforts made to encourage native people to participate and to take these courses? Ten is very low.

Mr. Boustead: Yes. One of the first things I did when hired was to pay a visit to the local chief of the Indian group in the area .

Mr. Morin: Grassy Narrows?

Mr. Boustead: Whitedog.

We invited him to be involved in the development of the people. We work very closely. This is an ongoing project with the Canada employment centre in Kenora to promote courses and special training for natives and anyone else in the vicinity.

Mr. Morin: Is there a lot of interest in it?

Mr. Boustead: Not a lot, no, but we have made a specific effort to bring the program about. You may say 10 does not seem a lot, but it is five per cent of my total staffing.

Mr. Morin: When I look at 10 out of a population of 60,000, it is extremely low.

Mr. Boustead: Working in a hotel is not everyone's cup of tea.

Mr. Morin: Right. Thank you very much.

Mr. Chairman: David, did you have some other questions?

Mr. Warner: Yes, thank you.

First, there was some misunderstanding before as to the direction of this whole thing and I would like to clear it. There was no question on my part about the facility being a resort. The figures you quoted about people liking their stay there do not surprise me. It is a lovely hotel and nicely run, so it is a very pleasant experience to stay there. That is not the question. Obviously, when the questions were asked why the decision was made, that created some bad press, but not as to the facility itself. It is certainly a superb facility.

The question then becomes two parts, one financial and the other the future of the thing as far as the government's involvement is concerned. I stated this morning my preference is to get rid of this thing and the sooner the better.

I guess what I temper that with is your remarks, Mr. Rubinoff, that if this thing can be made viable and is actually turning a profit, even a modest one, and the whole thing financially looks stable from here on, putting aside for a moment the \$50 million or whatever the figure is that went into it, and thus makes an attractive property for a private concern to purchase, then there is a judgement call as to how long it will take.

2:30 p.m.

At that point, we hope you have the maximum possible way of recouping your investment. I am just trying to run through my head what would be reasonable with respect to purchasing hotels. I have not bought too many hotels recently. My guess is that if things are really going nicely, you might get somewhere in the neighbourhood of \$10 million for the place.

That is just a wild guess off the top of my head. Maybe I am way out on that figure, but if you put in \$47 million, \$48 million or \$50 million and get \$10 million back, you have approximately 20 per cent of your investment. Maybe that is the maximum. Maybe that is the best we can hope for. I do not know.

Mr. Morin: It all depends on control. You make a heck of a profit if you get a better price.

Mr. Warner: Yes. I gather from the presentation we were given you are really aiming at the conference market. Can you tell me right now what percentage of your total business is conference?

Mr. Boustead: It is 60 per cent group or conference business as opposed to 40 per cent transient or individual business.

Mr. Warner: Do you have a target in mind as to what percentage the conference business should be? Where would you like to see it?

Mr. Boustead: I would say 55-45. It is almost to that point.

Mr. Warner: You are happy with those figures?

Mr. Boustead: Based on the existing operating season. If we operated outside of those dates, obviously we would attract more conference business as opposed to tourist business.

Mr. Warner: The expanded season has been mentioned, but I am not sure that we have put actual months on it. When you talk about expanded, how far? When would it start and stop?

Mr. Boustead: We are operating this year until November 10. There are six more weeks until the festive season. I can see that happening within a few years. We are opening next spring on April 25, which is the earliest we have opened yet; so we have already started this extension of season.

Mr. Warner: Basically, towards the end of April to mid-November would be optimum?

Mr. Boustead: Yes.

Mr. Warner: If we use that as the yearly operation over that time, you would look at a target figure for occupancy of 75 to 80 per cent?

Mr. Boustead: This year we are looking at 75 or 76 per cent.

Mr. Warner: And you would hope to maintain that level over the expanded season.

Mr. Boustead: Yes, we would aim for that.

Mr. Warner: You would also aim to have 55 to 60 per cent conference business. What efforts are being made to really penetrate that conference market, particularly in the St. Paul-Minneapolis or Duluth area, that northern quadrant? I mentioned this to you prior to the break, but I wanted to get it on to the record.

Mr. Boustead: Many things are being done. We are very aggressively going after Minneapolis-St. Paul and the Chicago area with respect to corporate or group business, most of it by direct solicitation to companies we are very confident will use our facilities.

We are obviously taking advantage of the Radisson corporate headquarters being located in one of our major market areas. We are utilizing the junior companies of the Carlson group, travel companies, incentive houses, to break into the incentive business as well as the corporate meeting arena.

Most of these 12 full-time, year-round people are sales people. We have three full-time sales staff who spend the vast majority of their time knocking on doors, pounding the pavement and approaching companies, especially in the twin cities.

Mr. Boyer: To add to that, we mentioned earlier today that the marketing budget for the present season, was \$360,000. A way of looking at the group effort is that for advertising, which is almost entirely for transient promotion, the budget is \$120,000. Therefore, the group effort is about \$240,000. All the sales office costs and all its efforts are group efforts. It is two thirds-one third and the results this year are 60-40 transient.

Mr. Warner: We could deal with the transient business, the private individuals rather than groups such as the conference business. Can you give me a rough idea what percentage of those people are from Canadian cities, towns and provinces?

Mr. Boustead: Percentage of transient business?

Mr. Warner: Yes.

Mr. Boustead: For 1985 it is 70 per cent as opposed to 30 per cent.

Mr. Warner: Is there any way of estimating conference business?

Mr. Boustead: It is in about the same area, the same ball park. The American portion of that is increasing considerably as the years go by. This year it is more substantial than last year.

Mr. Warner: Am I right in assuming that the majority of the Canadian business would be from Winnipeg? I do not know what percentage, but the majority of it.

Mr. Boustead: To date, Winnipeg has been the primary market for groups, but we are now finding in this, our third season that we are attracting more national conferences than we have done before and I would like to see that trend continue.

Mr. Warner: What about private individuals?

Mr. Boustead: With individuals we see United States tourists using us more and more. I see that continuing as a trend.

Mr. Warner: At this point, the largest single source for private individuals would be Winnipeg.

Mr. Boustead: For group and transient or for both?

Mr. Warner: Either one.

Mr. Boustead: Yes, I would say so.

Mr. Warner: Therefore, one of the little difficulties in the future operation may be that unless you can make a good breakthrough into the American market, you run the risk of losing customers if there are other attractions in the Winnipeg area or if for any other reason people from Winnipeg shift their business elsewhere and do not come to Minaki. You could see a drop-off in

the trade from Winnipeg and not have anything to replace it if you have not made that breakthrough into the American market. Am I right about that?

Mr. Boustead: It is in our interest to diversify our market.

Mr. Warner: That is obviously an ongoing process.

Mr. Boustead: Absolutely.

Mr. Warner: Is it receiving high priority from the board and from management?

Mr. Rubinoff: At the beginning of the year the decision was made to do exactly what you said. We can only flatten out in Winnipeg. There is little growth prospect there. We must find it elsewhere, mainly in the American market if we can. A lot of concentration went into that, into selling that. In fact, the group business from Minnesota is away up this year.

Mr. Warner: I have finished fishing for answers.

Mr. Chairman: To try to conclude a little, we have , obviously gone the gamut of looking at the expenditure and operational sides of it. I think it is true that most of the members who had the opportunity to be there and to see the site were impressed.

It is a site of some significance. It has a magnificent setting. The old lodge, in particular, has a great deal going for it, similar, I might add, to Banff, Jasper, St. Andrews or anywhere you would want to go. The problems you face are similar to theirs, transportation being one. You do not get in your car and drive to Jasper. I imagine little of their business comes from that.

You are competing in a market that is not dissimilar from those others. It offers the same type of facility and the same class of service. It is a well-run hotel in a nice setting. It is a big old lodge with lots of history attached to it.

2:40 p.m.

The problem is, what do we do with it? I think you are in agreement with most of us that Ontario should not be in the hotel business. How do we get out of the hotel business? If, as you say, there really is not a market for this hotel at this time, how can we create a market? Do we wait for five or six years and then try to sell it to somebody? My problem with that is we would take a big loss at that point. If we sold it, to guesstimate, for \$11 million, we would have lost only \$39 million in the process. In that sense we would be absorbing a tremendous amount of cost for the new buyer. Whether it was a wise expenditure or not is set aside, the money is spent.

Is there a possibility within a year or so, if you manage to get the operational side of it in the black, that there would be a market, either for a sale or a chain to come in and lease the premises?

Mr. Rubinoff: There might be. Most chains would try to lease for a percentage of their revenues, rather than give a guaranteed amount.

Another thing we have to be careful about is the kind of arrangement we make if we sell or lease it, whether the people are going to keep operating or not. The easiest thing would be for somebody to buy it for a very low figure and close it a year later. It is one thing to hold a mortgage; you can take it back. If you have sold it, you have no control over it. I am not sure anybody wants that to happen.

The most natural people are Radisson. If anybody is going to lease or own, it will be them. They know the property best; it is their Canadian property. They have at least \$200,000 a year coming out of the place. If anybody wants to take it, they would be natural to talk to. I do not think we can talk to them today, but it might be something for the future.

However, I think we are a little premature. We are not talking about enough money to make it worth while. None of us is going to say today, "Let us walk away from it." Forget the roads. They are going to stay there no matter what. If the property cost \$30 million, is any of us going to say, "If it is going to cost us \$300,000 to run this year and maybe \$600,000 next year to put in the sewers or whatever, are we going to walk away?" I do not think so. I guess we are going to have to operate it for at least another year before we can really talk sensibly to anyone.

The resort hotels being sold are not sold to chains, but to individuals who want a place they can call their own. They are not the size of Minaki; they are small places. Those are the people who are buying. I do not know of any resort hotels in Canada being sold to chains.

Mr. Chairman: Is there any yardstick in the industry which says when a major chain like Radisson takes over the operation of a facility, you have to wait three or five years until you reach the maximum impact in regard to marketing the product?

Mr. Rubinoff: In a new market we need three years to get the place under way. We would write off the first year to establish ourselves and get a market. Other than for Winnipeg, Minaki has had to start from scratch. A lot of people who used to stay there have died off. We have a new group.

We have had three years of operation and it is now running at near optimum, which is about what we can expect. How we establish a value for this place is tough for me. We could test the market to see if anybody comes in. No one has approached us,

even to talk to us about managing it, which is nice with no investment. No one is even knocking and saying, "Could we possibly take it over from Radisson?"

Regarding a buyer, we would have to feel the market. As an old hotel man, I do not think I can find you anybody.

Mr. Chairman: It strikes me as odd that a businessman should be able to look at that and say: "There is no capital investment here. What I have is an operation that, if in the black, is a chance to make some money." It seems to me not a bad business deal if somebody absorbs your total capital cost.

What they would ask is: "What kind of capital costs am I into in a lease arrangement? Do I have to fix the roof? Do I have to fix the plumbing? What kind of money am I looking at on that?" Is it in such a state that it would be attractive from that point of view?

Mr. Rubinoff: You have the figures in front of you. You can see that if we got it to break even--right now we are talking about a \$370,000 cost or \$270,000 or whatever it is this year--how much rent can you pay and how much is left? Say we get that line down to zero, or to a \$200,000 or \$300,000 profit, how much rent can you pay?

It is a tough baby to sell and it is a tough baby to operate. You have to move people all over the province and do all these things. For \$200,000, I cannot see a chain breaking its neck to do it. Maybe some operator and his wife who want it as their project might do all that stuff, but I cannot really see a chain killing itself to do it and making a financial commitment at the same time.

Mr. Chairman: If we hived off the Minaki Development Co. Ltd., would that do anybody any good?

Mr. Rubinoff: No. The only extra thing the development company now has is the Holst Point Lodge which is, as you saw, our staff quarters, so it is needed. It really does not do anything any more. It used to be that the development company operated the Holst Point Lodge too, which was a slight loser, but right now it is a combined unit and one is needed to look after the other.

Mr. Chairman: You are telling me we cannot sell the ski hill to anybody. The railway station is already leased out. We are not really making any money on that.

Mr. Rubinoff: The other thing is the waterfront land at Holst Point. Maybe that has some value; I do not know.

Mr. Chairman: But there are no real assets in the development corporation either, are there? That certainly is a wonderful thing.

Is there any potential? In going around the village of Minaki, it is like any northern Ontario village. There are now two restaurants where there used to be one. I will bet that two years from now there will not be two restaurants.

There is the Ontario Provincial Police station. It was one of the first places in Ontario to have beer in the corner store and they also have liquor and wine in the cornerstore; so they are in advance of most of the province that way. Somebody has a little garage. There is a bit of a community centre, and that is it. There is no development possible that I could see. Is there? Is there something I missed? Is there some great potential there that is not visible?

Mr. Rubinoff: Rosie's Restaurant.

Mr. Chairman: I think Rosie's has just about hit its peak. When I was in there, she told me they bought a case of diet Coke last year and could not move it. I think she has cornered her share of the market and that is about it. Is there any potential for anything there?

Mr. Rubinoff: Cottage lots. I do not know.

Mr. Boyer: Bob spoke of the waterfront land on which Holst Point sits, and that is valuable. Almost everyone we know in the community is now an entrepreneur. A number of people have gone into building cottages for tourists. That is what the community has been ever since the railway went through.

Mr. Rubinoff: I want to make another point. Minaki Lodge does not pay property taxes, but it pays \$120,000 in school taxes to the Kenora school board. I can only surmise that if Minaki did not pay that, the government would have to give that as a grant to Kenora. They did not reduce the school taxes there, did they? It is \$120,000 that we are showing here as a cost of doing business, but it is going to the Kenora school board.

Mr. Chairman: One of the things that struck me in going through the numbers is that it is very difficult to get an actual picture of whether we are winning or losing this little battle up there. As you say, you could hive off the taxes that go to the school board and you would be in just about in the black this year.

Mr. Rubinoff: Closer, yes.

Mr. Chairman: If you rolled into that the provincial sales tax you paid on this, that and the other thing, all things being considered, you are close to being in the black these days. It still does not make us feel any better about it. What do we do with this, to put it as simply as I can?

Mr. Rubinoff: We have to operate it so that it does not cost us any more money. That is the first thing. The big investment has been made. Either you wipe it off the books or you keep running it, but that does not change. We are not going to be able to do anything about it. The decision was made to build the place and spend all that money on it. Now that we have it, to close it would be a negative thing. It is really not going to do anything for anybody.

2:50 p.m.

What we have to say is let us operate it so it does not cost us any more money. That is the first thing. Then let us try to make a profit. That is the next stage. Then we can decide what to do with it. We can decide whatever we are directed to do.

Mr. Chairman: Is there anything we can do on the cost side of the ledger that would improve things? What if it became part of our community college training program and students worked there on a regular basis as a part of their post-secondary education? What if we integrated it into some of the other ministries and the work they do? What if it became a cultural centre or a centre for studying the environment of the north? There have to be bureaucrats thinking of wonderful things like that. Is there any way any of this could be integrated into the process?

Mr. Rubinoff: Are you talking about shifting money from one part of government to the other?

Mr. Chairman: Yes.

Mr. Rubinoff: You have all the travel costs involved. I am not certain if it really is going to benefit us. As it is, we are a training ground for the community colleges. They get credit for that, do they not?

Mr. Boustead: Yes, they do.

Mr. Rubinoff: We are doing that. I am not certain such suggestions as yours would be of great benefit to us. We could have a lot of government meetings there if we wanted to.

Mr. Chairman: To tell you the truth, we looked at another hotel which the province owns here and it is heavily dependent on just that. The government regularly uses the Guild Inn in Scarborough for seminars and training sessions and things such as that. I am sure if we ended that revenue, the Guild Inn's financial picture would change substantially as well. I do not know whether we can afford to send all our people to Minaki.

Mr. Rubinoff: That is right. They want to forget travel expenses.

Mr. Boyer: We do more business with the federal than with the Ontario government because of our location. We do not do much with the Manitoba government. As Mr. Rubinoff mentioned earlier, we do good business with Manitoba trade and professional associations. Manitoba owns its own resort as well.

We had a series of seminars late last year. It continued this spring with Canada Post. They were most remunerative for us. We can get the federal business because we are in the middle of the country. You can bring people from British Columbia and Halifax for almost the same amount as bringing them to Toronto.

Mr. Chairman: The committee looked at what people were doing at the Fort William facility in Thunder Bay. One of the

problems they tackled was to get people there. In that instance, they were looking at school tours and things of that nature, which is difficult. It is not an easy feat and also it is very expensive.

The committee mused about the idea of attempting to do some kind of northern transportation package which would make it easier. For example, some of the wives went up on the weekend to join the members. It is difficult to get there for one thing, and the cost is equivalent to a vacation in the Caribbean or Florida or Europe, if you get into charter fares.

That is a problem. When you add that to the cost of what you have to pay for a room and meals while you are there, if you say to somebody who gets a vacation once a year, "Would you rather go to Las Vegas or Minaki Lodge? then Las Vegas wins. Can we do something about the transportation side that might assist you do more business?

Mr. Boyer: Deregulation.

Mr. Chairman: Yes. The Americans are saying that is really working out well. They are dumping them out in the fields every other week down there.

Mr. Boyer: My wife bought a ticket to Chicago a day or so ago for \$150 return. To go via Kenora to Minaki, which is a little farther, I believe, but not very much, runs to about \$450. That is tough competition.

Mr. Chairman: Yes.

Mr. Boyer: There are signs there are going to be transportation bargains between the major centres in Canada. The business Mr. Boustead mentioned--was it Austin coming in?

Mr. Boustead: Yes.

Mr. Boyer: Minneapolis to Kenora is a great step forward for us. Many of you went in on norOntair from Dryden and that is marvellous. We must be the smallest community in Ontario to have scheduled airline service. When that service commenced this summer, they added Winnipeg-Minaki to the route, and we got some publicity in the Kenora paper when Richard erected a sign at the Minaki airstrip saying, "Terminal 1, Minaki, Ontario."

Mr. Chairman: He had the good sense not to write "Terminal 2" there.

Mr. Boyer: I do not know what we do to encourage lower air fares and more routes. I think it is gradually going to begin to happen in this country. It is really up to the carriers, and I think they will deal with major centres first, as they have in the United States.

Mr. Boustead: I think we really underestimate the attraction northwestern Ontario has to people, specifically to people south of the border. We are talking to a lot of meeting

planners and decision-makers who would much prefer to have their conferences or their incentive trips come to Minaki than go to Las Vegas. It is a very different kind of experience.

Interjection: You must be sceptical.

Mr. Chairman: I will give you that. There were people crying on the plane back from Minaki.

Mr. Boustead: I am sure they were all very happy coming back from Minaki.

Mr. Chairman: We have pretty well covered the waterfront on this. I hope you appreciate that our job is to review an agency and to make whatever recommendations we can that would assist with or resolve some problems. Again, going back to the financing, it is incredibly difficult to get a handle on how governments spend their money, and we may have something to say about that. The fact that it has taken this long to get any kind of rough idea, whether we are in agreement on the numbers or not, is really quite ridiculous. I do not know whether we can go from here to developing something that will assist a place like Minaki Lodge to get into the black.

Frankly, if that lodge were making money, members of the Legislature would be proud as punch of the place, because it is a magnificent site, a magnificent facility and a good holiday if people are able to get there, but there are a multitude of problems. We cannot resolve expenditures of money that happened some years ago; we really cannot do anything but cry about that, and we may cry a little bit about it.

But we will report to the Legislature and we will send you copies of the report. We would like to offer you the opportunity, if you have any late thoughts or ideas you would like us to consider, feel free to make them available to the committee. We are looking at something that is very difficult to grapple with and I think we have some appreciation of what the board has had to look at and try to deal with in the last few years too.

We thank you for your attendance here today and we look forward, I hope, to a little better times at Minaki Lodge.

Mr. Boyer: Thank you very much, Mr. Chairman. I am delighted your committee visited the site. It makes a difference, we have found.

Mrs. Marland: We did pay our own way.

Mr. Chairman: Actually, one of the reasons we looked at sites like Minaki is that it occurred to us that there were at least 125 people down here, all of whom had an opinion on Minaki Lodge and maybe two of whom had actually seen the facility, so it made some sense to see what we were talking about. We do not usually do this in politics. It is an exception.

Thank you very much for attending the committee. We will stay for a little while and go in camera. We have a little drafting of reports and things to do.

The committee continued in camera at 2:59 p.m.

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STANDING COMMITTEE ON PROCEDURAL AFFAIRS AND AGENCIES, BOARDS
AND COMMISSIONS

FOURTH REPORT ON STANDING ORDERS AND PROCEDURES
TELEVISION IN THE LEGISLATURE
ORGANIZATION

THURSDAY, OCTOBER 31, 1985



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BOARDS AND COMMISSIONS

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LEGISLATIVE ASSEMBLY OF ONTARIO

STANDING COMMITTEE ON PROCEDURAL AFFAIRS AND
AGENCIES, BOARDS AND COMMISSIONS

Thursday, October 31, 1985

The committee met at 10:10 a.m. in room 228.

FOURTH REPORT ON STANDING ORDERS AND PROCEDURES

Mr. Chairman: Are we ready to proceed? Before we start this morning, I would point out that you have a revised draft. On page 10, the first addition clarifies something that was pointed out to me.

The report states there should be standardized hours for sitting, but on page 10 we had a section in the fifth paragraph which said that in a calendar system, on the 10th sitting day before the end of the term, one could put a motion to sit in the evenings, or on Fridays and so on, so we added words to clarify that.

There is not a whole lot of relevance in it because in our recommendations on standing orders we codified the time, saying that we cannot sit past 10:30 p.m., for example, without unanimous consent; so in the new timetable we would not be able to sit past six o'clock without unanimous consent. This section points out that we could have an evening session and sit on the Friday in the last 10 days of the session. That is the first change.

The second change is on page 85. The public accounts committee is included at the top of that page. Let us blame the word processor for the error; it lost the public accounts committee, and we have found it.

The only other change I have noted is on page 97.

Mr. Treleaven: Here comes the rest of the muzzle.

Mr. Chairman: Page 97 is the part in front of you that we have discussed before, on matters of confidence. That section runs from page 97, through pages 98 and 99--it is essentially what was discussed--and on to page 100 for a couple of lines. This is basically the McGrath commission's attempts to codify what is and what is not a matter of confidence. This spells it out in some detail. Those are the three areas where there have been changes to your draft. Am I right?

Clerk of the Committee: "Publications" was added, and the implementation.

Mr. Chairman: The publications section on page 101 is the other one.

There is another one, which we should discuss at this morning because it is a little different. On page 102, we added a section

on implementation, mostly at my instigation because we have to address that. This recommendation says, in the wonderful language of parliaments, that at 12:01 a.m. on Monday, March 3, 1986, and concluding at midnight on Thursday, December 18, 1986, we would have a set of provisional standing orders; in other words, much like we tried to do before.

We recommended a year's trial of provisional standing orders; they would last for a year unless the House adopted a motion to make such provisional standing orders permanent. This is the same concept that the McGrath commission has used federally; that is, we make our recommendations, they are in provisional form for a year's test period, but a motion has to be put to make them permanent standing orders. That gives us a year to draft wording changes, pick up points we might have missed and give people a chance to say, "This was a good idea," or "This is not so good." The basic concept is that there would be a year's trial period.

Those are the five areas that have been altered from the previous draft. How about some questions, comments, motions or whatever?

Mr. Martel: On section 105(c), page 91--page 92 in the revised draft; I am still using the old draft--is the word "may." "The committee may, in its discretion, permit a member to express reasons for his dissent within its report." That should be "shall." I fear you can get a committee saying "No, you are not going to put your reasons in the report."

Surely a member should have the ability to include a dissent in a report. If it is left to the committee to decide, some committees might say yes, but others will say no. When you get majority governments, committees say, "You are not going to do it," and there is no way you can get a dissent in. Every member should have a right; the precedent is there.

Mr. Chairman: This is in the present standing orders. You are aware of that?

Mr. Martel: Yes, but I think we should change it to "shall." Two weeks ago, I was approached about the committee studying the economic problems of the world. There apparently had been a discussion at a committee meeting about whether they should be allowed to include their dissent.

Mr. Chairman: So your proposal would be--

Mr. Martel: To change one word.

Mr. Chairman: You would want to change more than one word.

Mr. Martel: No. The committee "shall".

Mr. Chairman: "Shall, in its discretion...." So the committee would still have the authority to--do you want to strike the words "may, in its discretion," and insert the word "shall"?

Mr. Martel: "The committee shall permit a member to express...."

Mr. Chairman: Let us try it on for size. Are there any comments about that?

Mr. Warner: It's consistent.

Mrs. Marland: Fine.

Mr. Chairman: We will all alter that and it will now read "shall." We are striking the words "may, in its discretion."

Mr. Martel: I have one other question to put to you, Mr. Chairman. We have a procedure in the House which is not a procedure and is not a rule and it is not in this report. It has been bandied around a couple of times. It is called "a time-allocation procedure." There is nowhere that you are drawing attention to it not being a rule of this House, except it was used by a majority when the majority could force its will.

Mr. Chairman: What do you want to do about it?

Mr. Martel: We should comment that it is not to be used until it is negotiated by some group. For us to continue to have something hanging there that can be used willy-nilly when there is a majority and it is not--

Mr. Chairman: Tell me what you want.

Mr. Martel: A time-allocation motion was used--

Mr. Chairman: We know what it is. We want to know what you want to do.

Mrs. Marland: No; I don't know. I do not, as a rookie.

Mr. Martel: A time-allocation motion was a procedure used--

Mr. Trealeaven: A very democratic procedure.

Mr. Martel: Yes, a very democratic procedure--used by the majority government last time to end a couple of debates. Rather than using closure, they introduced by the numbers game, the fact that they had a majority, a new procedure called time allocation. They tell you, well you have a certain amount of time and after that time we are going to vote on this bill.

It is not in our standing rules, it is not in our procedures and they simply moved ahead in the House and voted and they said, "That is too bad, you guys can object to it but we are making a new rule." It is not by the standing rules, but simply because they had the majority.

It is still not part of our procedures and I suggest we have to flag it and say, "This is not a rule." If someone wants to introduce it as a rule in the Legislature, that is fine. Until such time, it should not be used.

Mr. Treleaven: May I comment on that?

Mr. Martel: You have closure if you want to put off the debate.

Mr. Chairman: I am a little leery of entering into this discussion when I do not have a request or motion or anything in front of me.

Mr. Martel: I wanted to talk about it.

Mr. Chairman: Fine. We had three months to talk about things. We have addressed ourselves to the matter of closure. The time-allocation motion is somewhat different. It would be conceivable to add some text which might indicate that we are recommending the time-allocation motion not be used. I do not know how we would go about recommending that it can only be used if a bunch of people agree to it.

Mr. Martel: This committee and the House would have to approve it as a part of the standing rules and procedures and that has not happened to this time in history. You cannot simply do it because you had a majority in the House one day and rewrote the rules.

Mr. Chairman: As I understand it, in essence what happened was that a motion was put to the House. A motion is in order. Are we of a mind to say that you cannot put a motion of this nature to the House?

Mr. Treleaven: That is the point. You are starting a list of motions that may be put and a list of motions that may not be put. It was a motion of the House. The motion put to the House was that the debate would carry on this length of time and no longer than that length of time. Then it set out certain procedures that on the day following, etc., we would have the vote. But it was a motion.

10:20 a.m.

Mr. Bossy: Is it just the wording that you do not like? You do not like the wording. No one likes the wording of closure because it sounds so final.

Mr. Chairman: The easiest way to deal with it would be to make some reference in the section on closure.

Mr. Morin: What page is it?

Mr. Chairman: It is on page 29, that no other motion which limits debate is in order, or something like that.

Mrs. Marland: If I may comment: Whether we are talking about time, or any other aspect of our procedures, it would be pointless in my opinion to have this whole package of procedure if at any time, in any situation, on any given day in the House, it simply takes a motion on the floor to supersede our whole procedural process. If we have a procedural process which an

all-party committee of the House has dealt with, and then ultimately this report is approved by the House, then we have to stay with that procedure until it goes back.

At any time, amendments could be made to this but it has to go through the same process before it becomes final, otherwise we might as well throw this out the window now and just deal with what suits the moment of the day or the subject of the day or, indeed, the government of the day. I guess that is very simplistic for me to say because I have sat in the House five great weeks, but I do not see any point in having a procedure if it can be superseded at any moment.

This would just become a guideline at the convenience of anybody. It could be at the convenience of the two opposition parties to say, "Today we are going to set this aside because we want such and such."

Mr. Chairman: I am trying to test the waters here. It is hard to do that when I do not know what I am testing.

Mr. Treleaven: It is analogous in a slight way that we do set aside the procedures of the House on emergency debates. There is a procedure set out that everybody will speak for five minutes, and so forth. We do set aside the normal Orders of the Day.

Mrs. Marland: That is not the orders, though.

Mr. Treleaven: In this case, if it is a motion for time allocation, it is a motion subject to all the rules of debate. It is also subject to filibuster. If anybody wants to stop this then the debate on the original motion can go on and on for weeks, and any opposition in a majority or minority House can block for weeks this time allocation going on. There is unlimited speaking on that.

Mr. Martel: No, that is where you are wrong.

Mr. Treleaven: There is unlimited speaking for the leaders of the House, the House leaders are very--

Mr. Chairman: There is no time limit on speeches in here at all. I sense some confusion as to what we are doing here. I am going to ask you to get a little more formal. I hope this is the last day that we are going to spend on rules. We have had a lot of chances to debate it. I asked you to come today prepared to make motions about what you want in or out of the report. I will entertain a little more debate about this matter.

It seems to me, if I could help you, that the simplest thing would be to propose that in such a closure you make a notation that no other form of time allocation is acceptable or in order, or something like that. In other words, if you want to allocate time, you must do so by means of a motion of closure. It seems to me that would be the way to do it.

I hear conflicting opinion about whether you want to do that or not.

Mr. Martel: What bothers me is that my friend, contradicting his own argument, said that on a certain day, or in an emergency debate you set the rules aside. That is done by a formal motion, my friend.

Mr. Chairman: So is time allocation.

Mr. Martel: No. That was something that was agreed to. Time allocation was never agreed to by anyone in any form except that the government used its majority to bring it in. It is a totally new concept. My friend to my right is correct, you cannot re-write the rules just because you have a majority.

Mr. Chairman: If somebody wants something in this report, make a motion.

Interjection.

Mr. Chairman: I do not hear any motion.

Mr. Warner: Mr. Chairman, come on now. We have been functioning all these days to try to develop a consensus. We have stayed away from--

Mr. Chairman: You cannot develop a consensus when you do not have anything on the table. That is my problem.

Mr. Warner: But we have never done that before, and now you want us to operate in a different way.

Mr. Chairman: Yes, I do, because this is the final day, I hope, that we will be dealing with this report and I want to get it dealt with.

Mr. Warner: Okay, I appreciate that. It is just that we have been functioning in a very different way up until now, trying to develop a consensus around adding or subtracting things. Now you have chosen that we must be formal, I do not really like that but I will play the game.

I move that we amend section 32 to the effect that--

Mr. Chairman: Okay, let me help you out here. What you want to do then on page 29 under part XII on closure is to recommend that recommendation 32 be something like, "and no other time allocation motion should be considered."

Mr. Warner: Yes, whatever. I am sorry I do not have the appropriate wording.

Mr. Chairman: Okay, now we have something on the table.

Mr. Warner: May I speak to that?

Mr. Chairman: Yes. Let us try to do that.

Mr. Warner: Mr. Bossy raised the point earlier. The concept of closure is a suggestion that you are cutting off

speech. Free speech is probably the basic element of a parliamentary democracy, so whenever you decide you are going to terminate speech, it sends little shudders up people's spines; it is a tough thing to do in a parliament.

On the other hand, we have decided to be a little more straightforward in our standing orders and remove the previous question business which nobody understood. We decided to put it in language which people do understand. The public understands the word "closure." It means you are cutting off debate.

I think to be consistent and to continue to be straightforward with the public, it makes sense to say this is the only way you are going to end debate. You are not going to use any other fancy ways around it. If you want cut off debate, you use closure rather than time allocation which, I can tell you, folks out there will not understand what the hell that is. It is a fancy way of cutting off speech.

Why not be straightforward and say you want to cut it off? If the government has an interest, for whatever reason, in cutting off speech, then use closure. Even if the government has to take knocks from the public, and it may in some instances get praised because it has introduced closure on a particular measure, at least it is straightforward and the people out there will understand.

Mr. Chairman: Okay, let me try the wording for you. It would be a new standing order, 36(a), and it would read, "No motion to allocate time to any particular matter before the House is in order." Does that meet your requirements?

Mr. Warner: Yes, that was precisely what I was going to say.

Mr. Bossy: I have an awfully hard time agreeing with that, but I want to go back to what I said earlier. Closure sounds final. You want to test the waters on this thing; the general public is in agreement that after a certain length of time, debate should end. I can tell you it is much more popular to set time allocation. The public understands that. It does not fully understand closure. I do not care which one is used at a certain period of time. I say close the damn thing.

That is so final. Giving time allocation at least leaves the perception that there is a reasonable time allocated to conclude the debates. With the two, we should be autonomous enough within the House that we could have this. It is a milder form of closure, but any way you cut it, it is closure. I do not care how you say time allocation, it is closure of a debate because you are allocating time.

I do not think there is any reason why we should be afraid of having a motion which gives someone the freedom to make a motion within the House. We are restricting motions in that and that is the thing that bothers me the most.

Mr. Martel: It is not part of our rules at the present

time.

Mr. Bossy: But we are the creators of the rules.

Mr. Chairman: I am trying to grapple for a consensus here. I hear a kind of a split that the proposal would be to say there is only one motion which can allocate time and that is a closure motion. You are not supporting the motion?

Mr. Morin: I have not made up my opinion.

Mr. Treleaven: I would not support it.

10:30 a.m.

Mrs. Marland: Can I just ask another question? I do not see this discussion revolving around whether we accept motions in the House per se; I see it revolving around whether we are going to have a set of rules for procedure in the House or whether we are going to have a set of rules of procedure in the House which is merely a guideline and from day to day on any matter and by any party in the House, that set of rules can be set aside.

I do not agree that we are talking about any motion on any day, except to do with procedure. It is very important that if a procedure in the House is going to be changed at the request or whim--or whatever other word you want to use--of any party, any government, any opposition or any combination of opposition, it should be done through a process. That is all I am saying.

I concede the House is based on a great deal of experience, but based on the common sense I have and based on experience in dealing with procedure in municipal government, and I recognize there is a difference but not a complete difference, if we are going to have something that will work, then we have to make sure it works the same way for everybody all the time, regardless of who the players are.

If we have rules for procedure that are developed through the process I have experienced the last three months and that are also based on historical experience, then that is the only way we should continue. If those rules of procedure have evolved over the years based on historical experience as to what works, then we better make sure those rules of procedure are in the House every day for everybody. If there is a change, it has to go back through the procedural process of change, not just through a motion on the floor. I accept that any motion on the floor is acceptable for any item being dealt with on the floor except procedure.

Mr. Morin: Is it possible to have a ruling where we allow some form of flexibility?

Mr. Chairman: If I could just interject for a minute, the Speaker would have a very difficult time saying the motion is out of order. I am trying to think of the circumstances. If, for example, the three House leaders had some kind of an informal arrangement that we would deal with the business Tuesday, Wednesday and Thursday and take the vote on Friday, traditionally

the Speaker does not recognize that kind of a deal and he will turn a blind eye toward that. This addition would not prohibit a Speaker from saying, "Okay, we will handle this by Friday," but it might make it awkward for him to consider that motion being in order.

No matter what we wrote into the standing orders, at some point a Speaker has to interpret your standing orders for you and make rulings on these things. Even if we added this section, we would have done our best to say this is not a proper way to proceed, but a Speaker would still interpret the standing orders and say, "Notwithstanding standing order 36(a)"--or whatever it might be called--"I am going to allow the motion to stand and to be put." Any member would always have a right to put it, a Speaker would have to give you a ruling on it, eventually the House would have to vote on it and you would have a debate.

So I do not think it would be possible to preclude such a motion being put. What we are doing here is arming the argument on one side but that is not the way to proceed; we should be putting a closure motion if that is our intention. That is the way it would be played.

Mr. Martel: Can I make two points? One, whenever this package goes back to each caucus and an implementation committee of some sort is established, I suspect you will see a little bit of give and take. I am not sure what is going to happen there. It is not the time allocation per se I so violently oppose, as much as it is the method by which it was introduced. The way it was introduced was contrary to every type of change in the rules. I was involved in the first major shuffle back in 1969, but we do not change rules around here by simple majority in the House, without the give-and-take of a committee and a proper procedure.

I did not and do not like it, and it is unparliamentary to bring in a new rule called "time allocation" by a simple vote in the House by a majority government. That is not the way rules are changed. When one changes rules, everybody gives a little, everybody takes a little. If one does it this other way, there is not a rule in the book one cannot change by numbers, without any dialogue, discussion or formality. Simply any day of the week, somebody can come in and say, "We are changing the rule today." We do not have to say we are changing it, somebody just moves a motion that says, standing rule so and so does not apply any more. How does one stop it? That is what he did here.

Mr. Bossy: It was by unanimous consent.

Mr. Martel: It does not take unanimous consent, that is the point.

Mr. Treleaven: I would like to draw the attention, maybe of the new members, to the fact that, in my view, time allocation motions are different from closure or our old standing order 36. Our old standing order or a closure motion says, it is moved that we close or call standing order 36 and the debate is finished right now. Time allocation is a motion that says, we will be debating it in the future but in two or three days, a week and a

half, or whenever, that will be the end. Closure terminates it now; time allocation sets a time in the future at which the debate will end and a vote will be taken. I draw a distinction between the two.

Second, Mr. Martel said he did not like the way it was brought about by a majority in the House. Our whole system of government is dependent upon the majority in that House governing. If 51 per cent in the House vote for a thing, then it carries, whether it is majority government as we had in the past or minority government as we have now. That is our system of government.

Mr. Chairman: I do not sense a consensus around the issue. I have a motion before the committee and I am going to put it to you. The motion is to add a new section, which will be entitled 36(a): "That the standing orders be amended by adding the following new standing order:

"No motion to allocate time to any particular matter before the House is in order."

That is the question before the committee.

Mr. Treleaven: Mr. Chairman, under standing order 89(c)--

Mr. Chairman: You want 20 minutes.

Mr. Treleaven: Yes. We hope it will be quicker so we can get our members in.

Mr. Chairman: Okay, I will give you 20 minutes from 10:38 a.m. and the committee will stand adjourned until 10:58 a.m.

Mr. Martel: My friend should recall that to get time allocation the last time, his party had to use a closure motion.

Mr. Chairman: Let us try not to go over the 20 minutes, gentlemen.

The committee recessed at 10:38 a.m.

10:58 a.m.

Mr. Chairman: A question was put to the committee and a request made to adjourn for 20 minutes under standing order 89(c). We have done so.

Mr. Treleaven: A recorded vote, Mr. Chairman.

Mr. Chairman: You will get your chance; just hold on for a minute. The question is that the standing orders be amended by adding the following new standing order:

"36(a) No motion to allocate time to any particular matter before the House is in order."

That is your question. Those in favour please raise their hands. Those opposed--I am having a little problem. We will try it one more time.

All those in favour will please say "aye."

All those opposed will please say "nay."

In my opinion the nays have it.

Motion negatived.

Interjection: It is six to two.

Mr. Chairman: Mr. Warner moves that this committee adopt the report as printed.

Is there any discussion?

Mr. Treleaven: Yes. I am definitely opposed to that. That is taking 102 pages of a report that has been six years in the making and holus-bolus overlooking every bit of it. I am totally opposed to that.

Mr. Chairman: We have a motion to adopt the report. One person is speaking against it.

Mr. Warner: May I speak to my motion? I will try to be brief. There are a couple of major things. We have spent a hell of a lot of time working at this thing. We had a meeting last week when we were presented with the material and asked whether there were difficulties with any of it. We have also made a considerable effort to try to develop a consensus on rule changes.

Most of this stuff is not new and goes back to previous reports. The material did not elicit any great cries of anguish along the way. If there were problems, last week's meeting was the opportunity; we went through it page by page. I came up with seven or eight problems and raised them at the time. I felt satisfied with the answers I got that those sections were okay.

I have examined the report and I am sure all members have done so, as it has been in our possession for some time. I think the time has come to vote on it. It does not make sense to delay any longer. There is no reason to delay. Let us just accept the report and get on with it. It will be tested for a specific period of time from March to December. If people do not like certain rules, then they can deal with them.

Mr. Bossy: I will be brief. I agree with the motion as it is printed and would vote in favour of it.

Mrs. Marland: In speaking to the motion that we approve the report, can you explain to me what happens procedurally in the House when motions are placed to do with procedures that are outside this report?

Mr. Chairman: Yes. What will happen is the report will get tabled in the Legislature, a debate will be scheduled, the House will have a chance to say "yes" or "no" to the report in general and then specific motions will be placed.

For example, there are recommendations in the report that have to do with changing the Legislative Assembly Act, so that portion will have to come in with the bill. Provisional standing orders would have to be printed and accepted by the House. There are some administrative changes that will have to be carried out by the Board of Internal Economy.

The presentation of the report and the debate does not make it all happen; that is the first step in a long process. I gather there will be a fair amount of negotiating around whether we can do it, how we do it and how it is implemented.

The general report will be debated by the House as to whether to accept or reject it. Much like the federal McGrath committee's report, an implementation committee is set up and the various wheels are set in motion to introduce changes to legislation, standing orders and administrative procedures where necessary. All the other steps then fall into place.

Mrs. Marland: Is that dealing with what is printed in this report?

Mr. Chairman: Yes.

Mrs. Marland: My question was, what happens after this report goes through the process you have just described and from time to time there may be a motion on the floor of the House to do with procedure or to set aside procedure? What happens with that motion vis-à-vis the item that was brought up this morning by Mr. Martel?

Mr. Chairman: The House decides that question.

Mrs. Marland: Okay. The fact that this report goes through approved as it is does not preclude a procedural change at the whim of anybody in the House placing a motion.

Mr. Chairman: You cannot preclude what the House will do. The House theoretically always remains in control of its own business, so the House decides. A motion is put, the Speaker gives a ruling and the House finally makes the determination.

Mrs. Marland: If I wanted to place a motion to this committee this morning that procedurally the House adhere to this report once it has gone through all the final stages in the House, and that any other motion on the floor of the House to do with procedure be referred back through the process that developed these guidelines or rules, when could I place that motion?

Mr. Chairman: That would be in order at any time in the House in the normal course of business. If the Speaker is not clear on how to make a ruling or wants further advice from this committee, it has been the practice to refer to this committee so

that he is not on his own, so to speak. He takes it to a committee and the committee makes a recommendation and then reports to the House.

Mrs. Marland: As to the point that was raised earlier to deal with the question of time or any other item that might be added by anybody from this point on in this report, there could be a motion on the floor saying that aspect could be referred back to the whole process.

Mr. Chairman: Yes.

Mr. Martel: I cannot understand my friend's concern. Despite the fact this committee finalizes what it is going to do by a vote this morning, the thing is not finished. It is barely begun. It is going to have to go to the House for debate.

As with all the rule changes that the member for Windsor-Walkerville (Mr. Newman) and I have seen over the years, it will go to an all-party committee because the House leaders will want to look at it with the whips to determine what is good and bad. There will be some give and take as the rules are rewritten, as we did in 1969 and 1976, before a final package is adopted.

There is no assurance that what we send approved to the House today will ever see the light of day. It is merely a report. You have consensus on this committee. There are a couple of things on which I would like to take more time this morning but I will not. I can assure you if it proceeds, I will want to see changes to things I do not agree.

Since you people have spent so much time on this and it has been five or six years in the making, it is time it was referred to the House so the work can be done between now and April or March or whenever we come back to try it for a year. If we do not do it soon, it is going to sit on the shelf for another five or six years. We really cannot continue to operate under some of the House's archaic rules.

Mrs. Marland: Are you talking about April?

Mr. Chairman: No. The suggestion is that the provisional standing orders would start in March, at the beginning of the spring session.

Mr. Martel: There is all kinds of work that is not debated in the House.

Mr. Chairman: Is there any further debate on the motion? I have a motion that the committee report be adopted.

Mr. Treleaven: May we have a recess for 20 minutes to gather the members?

Mr. Chairman: We have a request for a 20-minute recess. It is now 11:08 a.m. We will recess for 20 minutes.

The committee recessed at 11:08 a.m.

11:28 a.m.

Mr. Chairman: The committee will come to order. We had a question called. The request under standing order 89(c) for a 20-minute division in committee has been adhered to. We are ready for the vote and the motion is, "Shall the report be adopted?"

Mr. Treleaven: May we have a recorded vote and names?

Mr. Chairman: Yes, you will get a recorded vote and names.

We have had a request for a recorded vote.

The committee divided on Mr. Warner's motion, which was agreed to on the following vote:

Ayes

Bossy, Mancini, Marland, Martel, McCaffrey, Morin, Newman, Sterling, Warner.

Nays

Treleaven.

Ayes 7; nays 1.

Mr. Treleaven: I move that under standing order 89(d) this committee agree to include dissenting opinions in its fourth report on standing orders and procedures.

The chair always likes these in writing. I do apologize for it being handwritten rather than typed out.

Mr. Chairman: We have a request from a member to insert a dissenting opinion in the report. How does the committee wish to deal with that?

Motion agreed to.

11:30 a.m.

Mr. Chairman: Let me take a moment to thank you for about seven years of work and for your help and co-operation in putting that report together. Let me say too that because we have been in open session this morning, the draft report is the agenda of the committee and is available to anybody who wants it. It is a public document and was as of 10 a.m. today or whenever we started.

We did entertain some discussion previously as to how we might proceed. The traditional formal way is simply that we will have a report which will be printed, tabled in the House, moved

for adoption, and a debate will be scheduled. However, the committee members previously suggested they might want to do something in addition to that, such as hold a press conference to explain what different aspects of it mean. Could I get some guidance?

Mr. McCaffrey: Mr. Chairman, since you have worked for so damned many years, as you have alluded to, to make sure that some of these very reasonable and modest reforms are brought to the attention of the members, I urge you, through press releases and other means at your disposal, to get some public awareness of what your work and the committee's work latterly has been all about.

I am under no illusions, and most assuredly you are not--Ross McClellan is not here but he is not because he has never had his name in the newspaper--that there is going to be any broad interest in this. However, having worked in this assembly and its committees, we know it is terribly important for the average citizen taxpayers to understand a little bit more, one hopes, than they might today about what the hell we are attempting to do and what changes we are recommending that might help to make this place a little bit more democratic, open and available ultimately to them. The bottom line is that the rights of the private member and of the standing and select committees of this assembly reflect pretty directly the rights of citizens in the province.

I would strongly urge you, and I would be supportive in any way I could as a member of this committee, that you get the broadest public awareness of the changes and, I hope, some discussion so we can bring in a report for debate in the assembly with a pretty fair understanding of why we have recommended what we have recommended.

Mr. Chairman: Any other comments?

Mr. Warner: I agree with Mr. McCaffrey. There are a couple of things. First, there has been a heck of a lot of time put into this, and it goes back a number of years. Some of the changes that are being recommended here are ultimately helpful. We must not forget what the Treasurer (Mr. Nixon) said the other day. When he presented his budget, he also presented a separate document about opening up the process. That happens to almost parallel the stuff we did. That is kind of nice and it is an interesting thing.

I would like to see us try to schedule a press conference at some point, whatever time seems to be convenient with respect to the timetable of stuff around here, so we can present the material. The press is not going to read 100 pages, right? Maybe a synopsis or some kind of compilation should be provided so the material stands out.

In addition, for the report that is tabled in the House, I would like to see a brief historical note as to what led up to this, the background, the five or six years or whatever it is that this took. There were some major players in this act before I came into this committee; I do not know who they were, but they deserve

mention in here. When I arrived on the committee, I was given a lot of material that had already been developed by other members. There should be some note as to who those players were and the roles they played. Also, our clerks and John Eichmanis and anybody else who participated in developing this deserve recognition for their work and should be in the front section as well.

Mr. Chairman: We will try to do a little foreword to it which gives a bit of the history.

Mr. Martel: I do not disagree with what is being said, but the key issue is the time to get it debated. A letter should be drafted to the three House leaders to get a response from them as to the date for the debate.

It could sit there for many months. We should indicate a date once we know how long it is going to take altogether, and we should ask for the debate date. I suppose they will want to get through the legislation for the budget first, but we should ask for a debate on this report the first Thursday after the budget bills are passed. If we are that specific, the chances of getting it up early will be enhanced.

If we are going to get stampeded into what is obviously coming, a late session with all kinds of estimates, the thing could get pushed back and pushed back. We should name the date we would like, the first Thursday after budgetary items are cleared out. That way we might get it.

Mrs. Marland: Could I follow up on David's comment about the press release aspect? The press conference which you chaired when we presented the report on television in the House, the electronic Hansard, worked very well and positively for all the members of the committee. You seem to be particularly gifted in being--

Mr. Chairman: Well, that is true.

Interjections.

Mr. Chairman: Humility is my biggest thing.

Mrs. Marland: You seem to be particularly gifted in being articulate in translating into lay terms the complexity of a report, as I heard you do in a very expert way with the electronic Hansard.

I can see no point in handing a 102-page report to the media, any media. It would be better to have a press conference, which you chair, where we hand out a two-page synopsis to the media, as David just mentioned. We can also use it in our own readings. Also, we could all be present and able to add something at the press conference if we wish. There could be a forum where the media can ask questions. We are still sitting 20 hours a week, but we are not sitting Fridays.

I would like to see you, Mr. Chairman, organize a press conference and have, at that conference, a handout synopsis of the

report, which in turn all of us can use individually. I would hope the press conference could be as soon as possible, at a time that would suit as many of the members as possible. Perhaps it could be 8:30 some Tuesday, Wednesday or Thursday morning, when we will all be moving into the House later in the day.

Mr. Morin: I agree with what David and Margaret are saying. However, once we have set a date for the debate in the House, if it could be arranged to have your press conference at the same time, you could get a lot of publicity.

I have a favour I would like to ask you. The synopsis would be only about two pages. I know the French network is extremely interested in it. Could it be translated into French?

Mr. Chairman: Yes.

Mr. Warner: That is a right, and it should be done. I like Gilles's suggestion. I was going to come back on the list. If it is possible to schedule the press conference on the same day as the debate in the House, that will obviously require some co-operation from the House leaders to confirm a date. Then we must try to organize a press conference. It might help, although I do not know, if the press is informed that way; some of them may be interested in covering the debate.

Mrs. Marland: This is public now, and it is going to start being filtered out. Some of the press will have it right away, and some are going to try to interpret it. We should have the press conference right away, because we can have it a lot sooner than we will probably end up having the debate.

Mr. Morin: Not if you call them individually. If you called them, maybe you would have the answer immediately.

11:40 a.m.

Mr. Bossy: I have a short comment. On reflecting on all these changes that have been suggested, I see we all have our little pet areas within the report. If there is one area that I feel very strongly about, it is the parliamentary calendar and timetable. That is a highlight in here.

We are talking about bringing in civility, being humane to the members and their families, but at the same time looking as if we know what in the hell we are doing in this place on the basis of a schedule. We are doing business for people.

Mr. Chairman: What a revolutionary thought.

Mr. Bossy: I know there are a lot of areas that are very important for the procedures within the House but the first and foremost is to set the time, live within those times and know how to put your doggone legislation through during that time. We are doing time allocation in a sense. I just wanted to add that one.

Mr. Martel: I thought you might.

Mr. Bossy: I feel strongly that we are going to have to highlight that somewhere. We are not going to put words in your mouth. Mrs. Marland said it wonderfully: you are the perfect chairman and you are going to say the right things.

Mrs. Marland: I did not say that.

Mr. Bossy: I just stretched it a little further.

Mr. Warner: This guy is bad enough in caucus meetings. Do not give him any more praise.

Mr. Chairman: Any other comments on this? What I gather as a rough consensus is that we would like to do much as we did when we presented the report on televising the proceedings. I am told it will take us about a week or so to print the actual document. We will then table it. We will go through that process.

Whether we do all this on the same day as the debate is scheduled will perhaps hinge on whether we can get to that debate within the next couple of weeks, which will be a little difficult. That is a good idea to entertain.

As a final notion this morning, could those who want to submit a dissent do so as quickly as they can so we can have that? When would you normally send this to the printer?

Clerk of the Committee: It can go today but it has to have the dissent attached to it.

Mr. Chairman: Could I ask those members who wish to enter a dissent to provide it to the clerk of the committee as quickly as possible? I would like to send this to the printers tomorrow or Monday if it is possible. I do not mean to put a time constraint on anybody, but is it possible to have you do that?

Mr. Treleaven: Tomorrow or Monday is pretty tight. How about as soon as possible.

Mr. Chairman: Okay. That is about seven years' work in one morning and I want to thank you for your patience.

TELEVISION IN THE LEGISLATURE

Mr. Treleaven: Could you review for the committee the television in the House?

Mr. Chairman: Yes, I would be pleased to update you.

The consulting firm which has been hired to implement the televising of the proceedings presented a report to the Board of Internal Economy on Monday afternoon and the board adopted its report. All of what we recommended in our report is there, and a good deal more, I am afraid.

The cost estimates are perhaps controversial. The cost estimates by the consultants are very close to what the committee thought they would be. Their estimate is that around \$2.4 million

will acquire the capital assets required to televise the proceedings. The operational costs will be around \$500,000. The distribution side of it is, as we thought, probably \$1 million if satellite is used. That part of it has been kind of set aside by the board.

The additional expenditures that you may have read about were encountered by the simple fact that the consultants pointed out that there is in the chamber, for example, a ceiling that consists of acoustic tiles to absorb sound. At some point they were painted over so that they no longer function as acoustic tiles. They have to be replaced.

The floor of the chamber, according to the Ministry of Government Services, needs to be replaced and a subfloor put in as you do in a computer room now to simplify rewiring and changes in the way the assembly is laid out. A new sound system is required. Some changes in amplification are required with respect to the wall. Some building modifications are required. By the time the consultants, the Ministry of Government Services and everybody else finished with it, our humble suggestion that we televise the proceedings has become much more than that.

The Board of Internal Economy, however, accepted the recommendations of the report and so far, if memory serves me correctly, has approved the initial engineering costs, which are about \$235,000. That is the approval that has started.

The process is that we will have a test period in the latter part of November and early December with minor modifications to the chamber so we can test for lighting, camera types and technology.

Mr. Treleaven: What year?

Mr. Chairman: This year. There was some discussion at the board that if it is not possible to do all the renovations and buy all the equipment for the spring session, we may continue using that format to televise the proceedings during the spring session, the ultimate system to be in place by the fall session or shortly thereafter.

The recommendations contained in our report have been adopted by the board and the mechanisms are in place to begin that process. I regret somewhat that the recommendations did not include beginning full television proceedings starting with the spring session, but it has not precluded that action. We may be operating on an interim basis during the spring session. It appears possible we can adhere to that recommendation, though the full setup may not be in place until some time in the fall.

Mr. Morin: Have they taken into consideration the redistribution? Are they planning to rearrange the floor?

Mr. Chairman: Yes.

Mr. Warner: When we are finished with this, can you give us some idea of the future agenda?

Mr. Chairman: I would be happy to. Are there any other questions about this?

Mrs. Marland: My question is somewhat related and it is apropos the letter from Tom Stelling to the clerk of the committee, October 15, saying if we want casters on our chairs it should be at each member's request. Some of that is going to be done as part of the changes in the House. I request wheels on my chair.

Mr. Chairman: You make that request to Mr. Stelling.

ORGANIZATION

Mr. Chairman: Other matters on the committee's agenda: we have a draft report on agencies, which has been altered somewhat. There is a bit of an additional text. I take it we want to deal with that next Thursday.

I want you to give some consideration to whether you want to continue to do an agency review in February in the light of our recommendations this morning. You may have changed your mind on that and we have some timetable problems there.

Also on the committee's agenda is a summary of the recommendations on reform of the budget process from the discussion paper of the Treasurer (Mr. Nixon). I take that in conjunction with the report we just dealt with. By and large, those two recommendations concur. Those matters are before the committee.

The other major item on the committee's agenda, and I had hoped to get to it this morning but it is kind of late, is the report on appointments in the public sector. That matter has been referred to this committee. We have gone about as far as we can go in gathering paper from other jurisdictions and how people go about that process elsewhere. We will now begin--and at next Thursday's meeting we should perhaps go to some kind of a timetable--the section dealing with how we go about this.

I am mindful that the committee on previous occasions has said we want sets of public hearings on the matter so the public has a chance to make presentations. You may want to call witnesses before the committee, staff in the Premier's office or ministers of the crown who want to make comments or recommendations--or Mr. Mulroney, who is an expert in the field.

If you would think about how you would like to do that between now and next Thursday's meeting, I would like next Thursday to do two things. One is to set up how we will continue on the appointments in the public sector report and when we will have public hearings, and what kind of witnesses you would like to have appear before the committee. We can begin to schedule that.

Second, we will proceed through the draft report on the agencies we reviewed this summer.

Mrs. Marland: When do you hope to have the report on appointments completed?

11:50 a.m.

Mr. Chairman: At least our first major report on that should be done by the end of the fall session, depending on how things go. You may want to continue that in the spring session in some other form or you may want to decide to make two reports on it. However, I think our intention is to have a report finished by the end of the fall session.

Mrs. Marland: Yes, I was hoping it would not take that long because, in the meantime, the process goes on.

Mr. Chairman: The other thing you might want to consider at next week's meeting is whether, in the interim, a request should go to the government to discontinue appointments, slow them down or review them in some other way. It is ridiculous that the committee would be taking on a major report on something such as appointments in the public sector, which is a big item, and the government continues to make them.

However, I would also be mindful that vacancies will come up in certain agencies which will have to be filled.

Mrs. Marland: Of course. That is how I would like to see us discuss it next Thursday, to see how quickly we could complete a report. It is a very important subject. You just said it is a very large one and there is no question about that.

Further to your comments about agencies, boards and commissions to be reviewed in February, will we be presented with a list of ABCs next Thursday and decide then whether we will review those and which ones?

Mr. Chairman: Tomorrow we can send you a list of all the agencies. Members who have been on the committee previously will have that but we will send it out again so you will know what the agencies are. If you want to do another review in February, we do not have to make the choices next week. Next week I would be happy if you just tell me whether you want to continue that process.

Mrs. Marland: Will the list indicate a year in which that was last reviewed?

Mr. Chairman: Yes, what we normally do is send the complete list of all the agencies and it will indicate which ones have already been reviewed by the committee and when.

Mr. Warner: On the public appointments, we have some background material now, do we not?

Mr. Chairman: Yes.

Mr. Warner: It is from various jurisdictions. Is it in an organized fashion?

Mr. Chairman: I would like to have Mr. Eichmanis prepare a synopsis of that. You may recall, in respect to many jurisdictions, we did not all want to carry the 30 pounds of paper home, we appointed Mr. Eichmanis to carry 25 pounds home. So there will be a synopsis presented.

Mr. Warner: What is a reasonable time in which to expect to receive this?

Mr. Eichmanis: If you just want a list, I can get that to you probably by tomorrow; if you want an actual summary of what each document contains, it will probably be next week.

Mr. Chairman: Is there any further business? The committee stands adjourned until next Thursday at 10.

The committee adjourned at 11:54 a.m.

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STANDING COMMITTEE ON PROCEDURAL AFFAIRS AND AGENCIES, BOARDS
AND COMMISSIONS

TELEVISION IN LEGISLATURE

SIMULTANEOUS TRANSLATION

AGENCY REVIEW

GOVERNMENT APPOINTMENTS

WITNESSES BEFORE COMMITTEES

CONFLICT OF INTEREST

MEMBER IDENTIFICATION BOOKLET

DRAFT REPORT, ELEVENTH REVIEW OF AGENCIES, BOARDS AND COMMISSIONS

THURSDAY, NOVEMBER 7, 1985



STANDING COMMITTEE ON PROCEDURAL AFFAIRS AND AGENCIES,
BOARDS AND COMMISSIONS

CHAIRMAN: Breagh, M. J. (Oshawa NDP)
VICE-CHAIRMAN: Mancini, R. (Essex South L)
Bossy, M. L. (Chatham-Kent L)
Marland, M. (Mississauga South PC)
Martel, E. W. (Sudbury East NDP)
McCaffrey, R. B. (Armourdale PC)
Morin, G. E., (Carleton East L)
Newman, B. (Windsor-Walkerville L)
Sterling, N. W. (Carleton-Grenville PC)
Treleaven, R. L., (Oxford PC)
Warner, D. W. (Scarborough-Ellesmere NDP)

Clerk: Forsyth, S.
Assistant Clerk: Decker, T.

Staff:

Eichmanis, J., Research Officer, Legislative Research Service

From the Office of the Assembly:

Mitchinson, T., Director, Information Services

Witness:

Applin, M., Consultant; with Coopers and Lybrand

LEGISLATIVE ASSEMBLY OF ONTARIO
STANDING COMMITTEE ON PROCEDURAL AFFAIRS

Thursday, November 7, 1985

The committee met at 10:10 a.m. in room 228.

TELEVISION IN LEGISLATURE

Mr. Chairman: As the first order of business this morning, we have invited a representative of the consultants who are working on implementing the televising of the proceedings. Two people are before the committee this morning. Michael Applin is the consultant for the firm that has been retained by the Board of Internal Economy to do the detailed work. You may know Tom Mitchinson. He is the director of information services.

I believe we are going to have a slide show this morning. I proposed they have the presentation they made to the board a couple of weeks ago. I thought it would be of some interest to the members. It will take 15 or 20 minutes and then we could have 10 or 15 minutes for questions.

Mr. Mitchinson: Thank you for the invitation. We are pleased to share an update of the television system with the committee. Our presentation this morning will be divided into two basic parts. Mr. Applin will give a general presentation on the project as a whole, including overhead slides. That will be followed by a briefing on the test period that has been approved by the Board of Internal Economy to begin November 18. It would be best for Mr. Applin to go ahead with his presentation. Please feel free to interject at any point with questions and then we will deal with the test period.

Mr. Applin: This is a presentation we made to the Board of Internal Economy about two weeks ago in connection with the proposal to put electronic Hansard in the House. It is an overview of the proposed system.

I am going to follow this table of contents. Briefly, I will take you through what we perceive to be the objectives of the system, deal with a little of the background and then give you in some detail an overview of the proposed system with its major components of video, audio, lighting and other pieces. I will then deal with the important issue of distribution of the signal. I will also give you our initial proposal for the staffing numbers we will need to run the system when it is up and operational, a sense of the implementation schedule and the budget.

As our guideline, we used the report of the standing committee on procedural affairs and agencies, boards and commissions to a great extent in trying to come to grips with the nature of the system. We put forward what we think are three basic objectives of the system.

First and foremost, it has to be a system that provides an

accurate and informative record, both audio and video, of the proceedings of the House and key committees. Second, the intent is to get the signal out to as many of Ontario's residents as possible, with particular reference to those who do not have easy access to the legislative process such as people who come from the north and those who are handicapped. Third, from your perspective as members sitting in the House, we have to ensure the system has a minimal impact on your working conditions and the architectural beauty of the chamber. We have to be concerned about that. Those are the three objectives we have been working towards and considering in our design.

We spent a considerable amount of time looking at what has been done to date. From your visits to Regina and Ottawa, you know there are two systems operating in Canada. We can benefit from the experience of both those jurisdictions and avoid some of the pitfalls they fell into. We noted you particularly favoured the approach used in Saskatchewan and we think it is an extremely efficient one, given the needs of the Saskatchewan Legislature. However, I think Ontario's needs are different. This is a much bigger House in a physical sense. It sits longer and is a more complex operation. We have a distribution problem that is different from that in Saskatchewan, inasmuch as Ontario is larger; we have a bigger population that is distributed far more widely.

I think you also have to recognize that Ontario is the leading province in Canada with respect to population and influence on national affairs. In a national context, I think the Ontario Legislature looms larger than that of Saskatchewan. You have to consider that when you are designing a system to cover the proceedings of this House.

The last point I want to make, and I am sure you are fully familiar with it, is that this is a complex undertaking. It involves many people and organizations. To give you some idea of how complex it is, this is a bubble diagram of the major components or organizations that have to be dealt with when we are considering the system. If you consider the middle red circle as being the legislative television system, then there are several components that cluster around it and several issues that arise.

For example, there is the question of distribution, which would involve dealing with TVOntario and the internal distribution within the Legislature. Changes to the House are being contemplated and proposed to the seating, the mechanical systems, the lighting, the number of desks in the House and the cabling that is going on for Rogers Cablesystems and the Datapoint system. All those have to be factored into this because they affect the chamber.

There is a key interface with the Hansard operation and we have to concern ourselves about the audio interface and the control of the camera. We have brought in the experience of others in Regina and Ottawa.

You have requested we deal with enhanced capability. By that, I mean the availability of translation services and signing

so that hearing-impaired residents of the province can understand what is going on. Then we had to concern ourselves about archiving and libraries. It is a complex system.

I would like to take you through an overview of the proposal we are making with respect to five major components, the video system, the audio system, the architectural changes that will be required to the chamber, the lighting and the acoustics.

Let me deal with the video system with respect to two components in relation to the chamber and the committee room.

I am going to put up a diagram of the legislative chamber with the Speaker's dais here. We are proposing five cameras in the House as shown on that diagram. There would be two on either side situated over the entrances to the members' lounges, recessed into the wall and framed so that there is a continuity of design from the doorframe up and around the aperture, blackened inside so it is as inconspicuous as possible, and then there would be a fifth camera to focus on the Speaker.

With respect to the kind of coverage you would have, one gets a sense that we can pretty well cover all aspects of the chamber with those five cameras, given that they will be able to pan to those angles.

10:20 a.m.

One other feature I would like to talk about in a little detail is the degree of control and how we are going to control the movement of these cameras. You all saw the Regina system, which is essentially a semi-automatic control system whereby the Hansard audio operator selects a microphone. That triggers a computer-controlled action whereby a preset position of the camera is selected and then the camera pans, tilts, zooms and focuses on the member whose microphone has been selected. We are proposing the same approach. It is a very economical approach that gives a relatively quick response.

Fine-tuning or fine-positioning of the camera is done remotely by an operator in the control room. For example, if focus needs to be fine-tuned or the signing bubble is at the top right-hand corner and we have to move the frame a bit, that is done by the remote control operator.

There is a slight complication in the way you operate here that is different from that in Saskatchewan. At times you have more than one microphone open. In that case, two cameras will be operating, one on one microphone and one on the other microphone. There will be need for manual intervention, for someone to decide which picture to show. There will be someone in the control room making a decision as to which video picture goes on air.

We are proposing to put the control room in the existing Hansard area up behind the Speaker's gallery. I understand Hansard is going to be moving and has agreed to that.

Mr. Mitchinson: It is just the audio control area

directly behind the Speaker's gallery, the long, thin room. It is not where the New Democratic Party members are moving, just so that is clear. It is only that one room.

Mr. Martel: We would never give that up. There would be war.

Mr. Mitchinson: It is right behind the Speaker's gallery. It is the wall right behind the clock.

Mr. Applin: There is enough room there for us to position all the control room equipment and the operators will be situated there as well.

In addition to the automatic control of cameras, there will be a character generator that throws up the member's name and constituency from our computer-stored source. In addition, we will have what we call a scroll on the bottom line that will give periodic information about what is going on, what the issue in debate is and other information necessary to inform the viewer of the proceedings.

Are there any questions about the layout of cameras in the House?

Mr. Newman: Is that a copy of another system in another parliament somewhere?

Mr. Applin: Regina has this software control approach.

Mr. Newman: No; I am saying the setting up of the cameras.

Mr. Applin: Do you mean in this way?

Mr. Newman: Yes.

Mr. Applin: Not directly; Regina's cameras are situated in the corners.

Mr. Newman: You are really experimenting as opposed to using some system that is already operating.

Mr. Applin: Yes. I should make the point that it is our intention to try various camera positions during the four-week test we are proposing. We will come to that later. This is our initial thought as to where best to put the cameras to cover the House. It also fits in with what can be done in an architectural sense.

These cameras will be recessed into the doorways above the members' lounges and they will stick out a bit into the members' lounges, but it will all be boxed in and the cables will not be noticeable. That will enable us to get at the servo-assisted heads without extensive renovations if there is any need for repair. It has the least impact on the look of the chamber. We are concerned about that as well.

Mr. Mitchinson: Perhaps I could add that during the test period, at some point we are going to try putting three cameras on one side and spread them out to see if that makes any difference in the coverage. We will experiment that way. The indications at this point are that five cameras will be sufficient to provide the coverage.

Mr. Applin: In the test period, we will have the cameras on the inside. We cannot put them on the doors. We are building two more of the boxes that were used for the constitutional debate and we are putting them inside the doors.

We looked at the traffic patterns of people coming in and out of the lounges. They tend to come out, turn away from the centre and go up to their desks. There is little traffic between the two doors. We think the least intrusive place to put those boxes is on the inside, but we will be experimenting with moving those boxes to see whether there is better coverage.

Let me deal with the proposal for positioning cameras in a committee room. Let me then deal with the proposal for positioning cameras in a committee room. We are proposing four cameras positioned in this committee room as per the diagram. You can take views of the committee members and also of witnesses or people who appear before the committee. Four cameras are the maximum. We are still experimenting, quite frankly, with three or four. There are some thoughts about reducing it by one, but no more than four cameras will be required for the Amethyst Room to cover proceedings.

Mr. Morin: Are these manned cameras or are they automatic?

Mr. Applin: They will be remote-controlled, but they will not be software-controlled like the ones in the House. They will be controlled by a person with a joystick in an adjacent control room.

Mrs. Marland: Are you aware that this committee's recommendation was for two in the committee room?

Mr. Applin: Yes, we were aware of that. We felt two were not sufficient to provide coverage of both the proceedings of members of the committee and also people who are making representation to the committee.

Mrs. Marland: Why can you not just have one at each end of the room?

Mr. Applin: You will then get people in profile on one side of the committee or backs of heads on one side of the committee.

One thought we were discussing yesterday, and it is still very much in that stage, is to have only one camera at the front, which could be moved on a track, depending on the way the committee room is set up. It would sit centrally for the most part. For example, if I were in that committee room, it could pick

me up from up there. You could do it with three. But if you do not have two on either side here, then you get the backs of heads of some committee members and the profiles of others. We are still experimenting with that and we have to come back.

Mrs. Marland: If you have one camera at the end of that room, you are going to get-- What is the cost of one camera?

Mr. Applin: For these cameras with these heads, we are talking about a much less expensive piece of equipment than the equipment that will be in the House. We are talking about \$50,000 for the camera and about \$30,000 to \$40,000 for the remote-controlled head.

Mrs. Marland: So you are talking about \$100,000?

Mr. Applin: Give or take, yes.

Mrs. Marland: I think for a committee we can do with two, but that is a personal opinion.

Mr. Martel: I do not share it.

Mrs. Marland: That is fine. Thank you.

Mr. Bossy: I tend to agree with Marg on that. We are talking about spending a lot of money here with more cameras. The seating plan of the room should be able to accommodate two. Change the seating plan to what we are used to in this type of setting.

Mr. Applin: Those are the changes we will be experimenting with. We are in the very early stages at this point. We have really concentrated most of our efforts on testing and trying out designs for the chamber. The committee room is something we have to spend more time on. Your points are well noted and they are quite valid. We will take them into consideration when we get into the more detailed design.

Mr. Martel: Let us not get caught in the suggestion that there is agreement on what my friends have just said. Why would one spend \$7.5 million and then try to nickel and dime it in the committee. The committee is an extension of the House. Can you imagine being in the middle of proceedings and having a camera in front start to slide across and then stick? We can stop the proceedings. We can do a whole variety of things. Why would we not want excellent coverage?

That is only one committee room. I do not expect it will be used in low-profile hearings. The standing committee on social development might have wanted that type of thing for the presentations on Bill 30. To start to nickel and dime it after getting to where we want to get, after how many years, seems to me to be--

Mr. Bossy: You are saying what is a million.

10:30 a.m.

Mr. Martel: C. D. Howe said that 20 years ago, if I may make the comparison. I would not say what is a million. I would say what the hell is a billion in today's terminology. If you are going to have a good television proceeding, why would you take it out of the House and start to nickel and dime it in the committee?

Mr. Chairman: We should just point out this is a very preliminary study of what might be done. No final decision as to what will be done has been made yet.

Mr. Applin: It is useful to get the views of the members. We appreciate that.

Mrs. Marland: We started off with less than \$2 million when this committee approved this. My friend Mr. Martel is saying, "Do not nickel and dime us for \$7.5 million." That is not where we left it.

Mr. Martel: There is something wrong in that \$7.5 million figure. The restructuring of the Legislature was called for back in 1976. We have not done it. Let us not have Government Services or whoever is responsible blaming the entire restructuring of that Legislature on television. That is a red herring.

Mrs. Marland: I agree, but you were the one who just said, "Do not nickel and dime it."

Mr. Martel: The restructuring of the Legislature is a distortion when it comes to \$7.5 million because the chamber should have been fixed 10 years ago.

Mrs. Marland: No question.

Mr. Morin: I think what Mr. Martel is saying is that if we are doing a job, let us do it well. I agree 100 per cent.

Mr. Martel: Thank you.

Mrs. Marland: You can speak two languages. Elie is not French.

Mr. Chairman: Mr. Applin, try again.

Mr. Applin: I would like to make one more point about the control area. We need a control area to put equipment and to place a remote camera operator. We are proposing to annex the room of the Sergeant at Arms and move him elsewhere. That is what the control area represents. It is his room with access.

Mr. Chairman: Again, that revolutionary effort has not been completely successful yet.

Mr. Applin: No. That is a proposal.

Mr. Chairman: Battle plans have been drawn but the war has not been fought.

Mr. Applin: I am sure that is the case.

I also should mention there are two or three alternative uses the committee room can be put to. I am told that previously--I am not sure how long ago--Rogers provided a studio where members could go and make their own programs that could be distributed to their constituencies or put out over cable TV in their locale. This room would be set up and could be used for that purpose. If a member wanted to make a local cable TV program to use back home, this room could be put to that use.

Teleconferencing is another use the room could be put to. The equipment is there. If you wanted to have a real-time conference with people in other parts of the province or the country, the equipment is there for that purpose and could be used.

Those are two alternative uses the committee room could be put to.

Let me push ahead and, while I am talking about the video system, deal with the issue of archiving. Archiving is a concern you raise in your report.

We have noted your requirement for archiving of at least two copies, one to the provincial archives and one to the legislative library. We are proposing that copies be made when the program is being recorded, that we use half-inch tapes for the archives and the legislative library and record a three-quarter inch, which is a higher quality tape, to be retained by the TV unit for the duration of the session. At the end of the session, we would swap the half-inch in the legislative library for the three-quarter inch that the TV unit has held. That will mean the high-quality, three-quarter inch copy, which can be used for dubbing and broadcasters who wish to get copies, will be retained by the legislative library.

We also are proposing that all dubbing work be done by the TV unit. They are the professionals at doing that. That is why we want the copy to be in the legislative library close by the TV unit, but the legislative library and the public archives would have viewing facilities. That is the most economical way of handling the archiving and playback issue, considering two issues in particular: cost and storage of tapes. They are not cheap.

I would like to push ahead and deal with the audio system. We are proposing to revamp the audio system. The present system does not provide sound of broadcast quality. It is not impossible, but it is not easy to interface the present audio system with the semi-automated camera operation that is proposed for the video. In our design, we are providing for 116 microphone positions that will allow you to expand as needed or move your seating around, in addition to, obviously, the Speaker and the Hansard personnel. The system will operate as at present. In other words, a Hansard

operator will make the selection of the microphone or microphones to be opened.

We are also recommending some architectural changes to the House to provide an opera box in the Speaker's gallery where the Hansard control operator would sit. This would give the Hansard operator an unobstructed view of the House and would allow us to build a housing for the Speaker's camera underneath. The opera box would be designed in keeping with the treatment on the galleries.

Mr. Mancini: I understand you would put the opera box in the centre of the Speaker's gallery.

Mr. Applin: That is correct.

Mr. Mancini: We have assured the private media their work and ability to record whatever they wish in the House would not be diminished by a TV Hansard. By putting an opera box in the middle of the Speaker's gallery, you are removing them or pushing them off.

Mr. Applin: We are displacing them rather than removing them, by a few feet on either side. I recognize what you are saying. We have already talked to representatives of the press gallery about moving them to one side to allow us to place a camera in the centre for the test period and they have agreed to it.

Mr. Mancini: I do not see any problems in placing the one camera in the centre, but I do not see what the difficulty is in keeping the Hansard person exactly where he is now. He has been there for as long as I can remember.

Mr. Mitchinson: He has some real difficulty in seeing everyone to activate the microphones.

Mr. Mancini: He will not activate the four rows.

Mr. Mitchinson: Yes, he still will from where he is. We recognize that the committee's report, which we accepted, stated that the television media would stay where they are. When this opera box extension is designed, it will take that into account. The preliminary thought was that it would be lower down so it was more above the entrance to the chamber, as opposed to at the level of the press gallery. The architectural people from the ministry have indicated that is possible. We are aware of the undertakings that have been made to the gallery.

Mr. Mancini: When you say the architectural people from the ministry, whom are you speaking of?

Mr. Mitchinson: Natalie Liakus is the architect who has been working with us on it today.

Mr. Applin: The concern we have is that this whole system--the speed at which the video cameras respond to someone being recognized and standing--is entirely dependent upon the speed of the Hansard operator in picking up that microphone. That

is the crucial link in this chain. If you want a semi-automated system, that Hansard operator has to be on the ball and able to pick up who is being recognized so the cameras can get into position. If that Hansard operator's view of the proceedings is obstructed in any way, the system will start to break down.

Mr. Mancini: I would like to talk to the president of the press gallery before I go ahead on that because we were very clear in our report that we were not going to fool around with the rights of the private media.

Mr. Chairman: You should know the attempt is being made not to interfere with the private station cameras now. The opera box will be built out over the House and lower so as not to interfere with their camera positions. That is the concept.

Mr. Mancini: They can do that and not affect the integrity of the structure?

Mr. Chairman: That is what we are told.

Mr. Martel: They cannot get the Speaker's end anyway from their position now. Their cameras are fastened. They cannot get over to see directly down below. That has always been part of the problem. They can shoot out far, but they have never been able to shoot tight. A few feet in front is not going to jeopardize the people they cannot get at present. They cannot get the other ones anyway, unless they hold the camera upside down.

10:40 a.m.

Mr. Applin: The proposed audio system will also provide you with the capability of simultaneous translation into English and French. You could possibly, if you wish, distribute those signals to the floor of the House. It will have that built-in capability. The archival videotapes will carry two audio tracks: one with the actual sound from the floor of the House in whatever language people are speaking and an English track.

The sound to the members desks is going to be provided by individual amplifiers and they are going to be selectively muted. In other words, if somebody is speaking, the amplifiers in a circle around that person's desk will be muted so that you do not get this booming and feedback that you can experience if you do not do that. We are also going to provide sound to the galleries as is currently the case.

We will also provide English language sound to wherever the signing person is. That will be used to produce a sign language representation of the proceedings of the House. I indicated the output of the combined video and audio systems. We have to provide both a signed and an unsigned video to the distribution point. The signed video is for distribution across the province. The unsigned video is for pickup by members of the media who probably would not want the signing bubble there.

Mr. Warner: You are designing a system which would

include sign language as opposed to or also closed captioning?

Mr. Applin: We are designing a system which would include the ability to provide sign language. We have taken a look at the issue of captioning. Our first estimates of the cost of captioning are quite high. Captioning is done by what is known as the Canadian Captioning Development Agency. The costs for captioning run somewhere between \$2,500 and \$4,000 an hour. You probably also know that there are two captioning systems in use in Ontario. There is no standard or common captioning approach.

Second, the penetration of decoders in the province: There are very few decoders out there. Our initial runthrough of the costs versus the penetration to the hearing-impaired population versus the benefits was that captioning was excessively expensive for the benefit derived from it.

Having said that, the design of the system does not preclude adding captioning. What we have costed in our estimates and our proposal is for signing, the cost associated with providing equipment, a room and a signer to do this, rather than going the captioning route.

We recognize that we have to go back into the captioning issue and investigate it in more detail, but in the time we had to prepare this for the Board of Internal Economy, we made a decision early on not to go down the captioning route any further until we had time to collect more information.

Mr. Warner: I understand the area and the issue. The cost differential is incredible, and I know that. In rough terms, you are comparing something like \$30 an hour versus \$3,000 an hour. It is enormous. There is a philosophical problem. There is a philosophical difference of opinion with respect to one system over the other. That is something which the committee and the folks who are attempting to design this should be aware of.

In my opinion, in the long run it is not to the greatest advantage of hearing-impaired people to rely upon sign language. It does help to remove those individuals who are so impaired from the mainstream of our life. The closed captioning is a superior system because it does bring people more into touch with our world.

The cost of doing that, if you break it down per capita for hearing-impaired people, is expensive, and I understand that. It is a tough reality to deal with, but whatever decision is finally reached, the people making the decision should at least realize there is a philosophical problem and there is a difference of opinion even among hearing-impaired people about which is the superior system.

I very clearly state that my preference is for closed captioning. If the final decision is that it is not economically feasible at this point, I would at least urge that the system have the capacity to add it at some future date. It is important that we add it when we can afford it, but at least we should recognize that is superior and that at some point we will attempt it.

Mr. Applin: The design does not preclude the addition of closed captioning at some later date, and we have made that provision. As I said earlier, we will have to go back into the captioning issue, investigate it in more detail and prepare an analysis of costs versus benefits that deals with the market out there, the decoders, the likely projections for the costs, etc.

Mr. Chairman: Is there an organization you could work with on this?

Mr. Applin: There is the Canadian Captioning Development Agency.

Mr. Chairman: It might be worth your while when you do go back into it to look at groups and organizations that represent people who have hearing impairments and see what their preferences are. From my knowledge of it, there is an argument over two different decoding systems. It seems to me you could spend a lot of money with very little benefit if you happen to choose a system that people were not using or were not prepared to use.

As I say, it might be useful when you do go back into that area to see if you can contact organizations representing people with hearing impairments and see what their preferences are.

Mr. Applin: We will.

Let me deal now with one issue of immediate concern to all of you who sit in that chamber as part of your working day, and that is the lighting issue. We are very aware that it is a key area of concern to you. We have retained lighting consultants, who have recommended an initial approach which we hope will cut back glare without losing an adequate level of illumination for the cameras to operate within.

What we are doing is attempting to disperse the light, hence cutting glare down to less than 30 per cent of present levels, and then to add the lost illumination, because you will lose illumination as you try to cut glare.

Mr. Mancini: May I ask you a question?

Mr. Applin: Yes, sir.

Mr. Mancini: Actually, it is from a working, health and safety point of view. I know how bright it is now, and the lights are turned off an hour and a half after question period begins. Is this type of lighting possibly injurious to a person's eyesight? For example, I have a responsibility to be in the House today from two to six o'clock, and since I am an out-of-town member, I will probably be in the House from eight until 10:30 tonight--most of the time anyway, give or take an hour here and there. I may end up sitting in the Legislature five hours today. I want to know if that is going to affect my eyesight.

Mr. Applin: I am sorry; I am not qualified to pass judgement on that.

Mr. Mancini: I think we should be asking somebody.

Mr. Applin: The point is taken. I cannot give you that answer. I do not know, to be honest with you.

Mr. Mancini: I think we have put up with something that has been intolerable. I do not know how the members have put up with it over these past years, first with those lights that were wrapped around the poles and now these other lights. I am expressing my own concern, but some of my colleagues have also asked me to express forcefully their concern about lighting.

Mr. Applin: A lot of the concern is about the glare. One of the things we are trying to do is to cut that back and then add some indirect lighting, which is less of a discomfort for the eyes.

Mr. Mancini: I am asking you to check with someone who would be able to tell you whether over a long period--

Mr. Bossy: I have had four and a half years, Mr. Mancini, sitting in there.

Mr. Mancini: That is why you cannot see today.

Mr. Applin: We will check that out.

Mr. Mancini: I am serious.

Mr. Mitchinson: I am serious too. We will.

Mr. Bossy: We sure do not want the lighting they have in the House of Commons.

Mr. Chairman: Mr. Applin, perhaps we can get you through this and then take some questions.

10:50 a.m.

Mr. Applin: Okay. We will be experimenting during our test period to determine the optimum lighting conditions. We are going to be trying low lighting levels, and we are going to be adding some indirect lighting. There is going to be considerable experimentation during the test period to find the best method. If the methods we try are not acceptable to members, then we may have to go to more radical methods. We will have to come back to you and talk about that at that time. We cannot predict at this stage.

Mr. Warner: I have two questions on the lighting. First, are you also taking a look at the possibility of a dropped ceiling, with lighting under it?

Mr. Applin: We looked at that, but first of all it would create problems because the chandeliers will have to stay, and they create shadows. Second, I understand the ceiling is of some cultural and historical value; underneath there are murals.

Mr. Warner: Yes. Somebody painted over them.

Mr. Applin: They painted on panels that were put over the murals.

Mr. Warner: Is that going to be restored?

Mr. Mitchinson: No, I do not think it can be--well, it is there. It is not that the murals have been painted over; it is just that they have been covered over.

Mr. Mancini: Can we remove the cover?

Mr. Mitchinson: You cannot remove the cover because to light the chamber adequately without a lot of the glare you are experiencing now, we have to do it indirectly by bouncing the light off the ceiling and down. The ceiling has to be white to do that. That is a very important element of this lighting proposal. That is the only way you can do it and still decrease the glare you are getting now.

Mr. Warner: So the murals are still underneath?

Mr. Mitchinson: Yes, they are still underneath.

Mr. Warner: These treasures will remain hidden from view.

Are you experimenting with different types of cameras as well, with low-light cameras, for example?

Mr. Applin: Yes, we are. A new generation of cameras has come on the market that work under much lower light levels than the ones currently being used in the House by the broadcasters. We will be experimenting with those. Maybe I can deal with that when we come to--

Mr. Warner: Are you doing a combination of light levels with new camera equipment?

Mr. Applin: Absolutely.

Mr. Mancini: Let me ask you a question since you have completed that sheet. The chairman says we can ask questions as we go along, after you have completed each sheet.

Is there a camera available that does not need a lot of lighting or that can work with the chandelier lighting?

Mr. Applin: I do not believe that even the new generation of cameras can operate with only the chandelier lighting, but we will be trying that during our tests without any supplemental lighting, with the chandeliers as they currently operate. We will obviously have to do that outside of question period, when the broadcasters are filming from the gallery.

Mr. Mitchinson: That is another problem we had with it. Even if we can come up with a camera that can operate under room lighting, the television people cannot operate under room lighting.

Mr. Mancini: Yes. But it only takes one hour to solve their problems; our problems go on for 20 to 30 hours a week.

Mr. Mitchinson: A summary statement on it is that whatever lighting we put in there is going to be of a significantly lower level and have significantly less glare than you have now. My hope at the beginning was that we could do the whole thing with chandelier lighting, because to me that is the answer. But that does not appear to be the case. Expert opinion on it is that we cannot do that.

Mr. Mancini: Let us try.

Mr. Mitchinson: We will give it a shot, believe me, but it does not look optimistic.

Mr. Applin: Maybe I can summarize the architectural modifications we have talked about as we have gone through this. First, placement of cameras in recesses above the doors to members' lounges. Second, construction of an opera box slung below the Speaker's gallery to accommodate Hansard and the Speaker's camera. Third, conversion of the current Hansard area into our TV control room. If you wish, we will also be able to provide a public viewing glass wall so people can see what is going on inside the TV control room. Last, modification of the room off the Amethyst Room to contain a control room and displace the Sergeant-at-Arms.

Mr. Mitchinson: He will be well accommodated.

Mr. Mancini: He is going to be well accommodated? Are you sure about that?

Mr. Mitchinson: Yes. I am sure.

Mr. Mancini: I was just checking.

Mr. Mitchinson: Others will ensure that.

Mr. Applin: Let me deal then with the last issue around the system: acoustics. You have acoustical panels up in the galleries but somebody painted them over, so they do not work because they are hard surfaces again. What we are proposing is to remove those acoustical panels that have been painted over and put back operating acoustical panels that are in keeping with the look of the chamber. That would stop the reverberation, the bouncing of sound through the corners of the galleries, and would improve the acoustics. That is a simple, quick fix that can be done relatively easily.

Let me deal with the issue of distribution of the signal, because having produced it, we have then to get it out to as many people in the province as we possibly can. The responsibility of the system we are designing ends when we deliver the signal to the Bell television operating centre, which is down on Adelaide Street; it is the building with the big dishes on the top. From there, TVOntario picks up the distribution across the province via a satellite system.

Let me deal with internal distribution first. The internal distribution to members' offices, to caucus rooms and to the front lobby for viewers, etc., will be via a dedicated cable that will be run through the building. You are familiar at least with how that operates; the Ministry of Government Services is installing that.

Mr. Warner: We are each going to get monitors in our offices?

Mr. Mitchinson: You are each being wired to accommodate that on the assumption--

Mr. Warner: We are hooked into the wire?

Mr. Mitchinson: It is a decision that has to be made as to whether monitors are provided to members. We are certainly anticipating that is going to be the case; so we are cabling to do that.

Mr. Warner: Good. I mean it would be silly to put a cable in and not have a set.

Mr. Bossy: They have not done that in Ottawa yet. You have to buy your own television. You could use the cable; that was provided and eventually--

Mr. Chairman: They have now. Each member has two video monitors in his or her office.

Mr. Bossy: They have done that, but they did not have that last year.

Mr. Warner: Well, we should jolly well have the monitors.

Mr. Mancini: Could I ask you a question then? Is running the cables to each member's office part of the \$7.3 million?

Mr. Chairman: That is being done now any way. They are just hooking into an existing system.

Mr. Mancini: Okay. What about the members who do not have offices in the main building?

Mr. Chairman: That is also being done now at the same time.

Mr. Morin: Tough luck.

Mr. Chairman: Perhaps I can interject here. With the installation of computers is the rewiring of the building. This is simply working in conjunction with the installation of that cable. Wherever your office is, you will be hooked into the computer system, and part of that will be hooked into the electronic Hansard system.

Mr. Mitchinson: There has just been a development on that, Mr. Chairman.

Mr. Chairman: I was afraid of that.

Mr. Mitchinson: No. It is nothing that changes it; it is just being done in two steps. The computer cable installation is going ahead now because the method of cabling the computer is not the same as it is to cable the video. That is going ahead now, but the other will be in place whenever it is necessary for this project.

Mr. Martel: Is that the quarter-inch cable?

Mr. Mancini: That is something separate.

Mr. Chairman: Yes.

Mr. Mitchinson: That is right.

Mr. Chairman: It is a separate system.

Mr. Mancini: About a year ago we approved that, I guess.

Mr. Applin: Let me deal with the distribution beyond the internal distribution to the House. TVOntario, you should know, has agreed to transmit the signal to the satellite. They have been very helpful to us in discussions with the Canadian Radio-television and Telecommunications Commission on whether a licence is required and whether they can hold a licence. They are working closely with the Ministry of Transportation and Communications as the responsible ministry around CRTC policy to make sure that happens properly. We are working closely with TVOntario. We have a meeting with Sandy Birkenmayer tomorrow morning to see how they are progressing on that.

Mr. Mitchinson: I should add that what we see as one of our big jobs over the next few months is dealing with the distribution aspects of this project through the cable television network in the province. It is unfortunate for us, but the cable TV operators do not operate under an effective association; so we are going to have to approach them individually and convince them to participate in the project.

Mr. Mancini: Are they not battering at our doors to get this?

Mr. Mitchinson: I think some are, to some extent.

Mr. Applin: They are interested; it is a question of where they fit it in. They said, "If you had been here five years ago, we would have had all sorts of space and time to fill." Now the band is getting cluttered, particularly with those cable operators who do not provide a converter service. They basically have channels 2 to 13 to fit you in somewhere. So it is a question of where they fit you.

Mr. Mancini: Are you telling us there is a possibility in some areas that cable companies will carry it from gavel to gavel?

Mr. Mitchinson: Yes.

Mr. Applin: That is our going-in position. That is what we want them to do.

Mr. Mancini: And there are channels available?

Mr. Applin: Look at the converter services. In Toronto, if you look at Rogers, everything from 36 to 61 is available. Sorry, I think 45 is used, as well. If you have a full bandwidth, a 60-channel capacity system, then there are channels available.

Mr. Mancini: People in Toronto will be able to watch Mr. Warner every day then. That is wonderful. That is great.

Mr. Warner: The ratings will improve tremendously.

11 a.m.

Mr. Applin: We are negotiating with individual cable companies around how this should be carried. We have already had a meeting with Rogers and with the president of the Ontario Cable Television Association.

Mr. Mancini: But we are not going to allow them to carry this week's Legislature next week, are we?

Mr. Applin: We have not addressed that question, quite frankly.

Mr. Mancini: I think that is important.

Mr. Applin: TVOntario have offered to carry question period on a delayed basis at the 11:30 to 12 time slot. You may know it now carries question period from the House of Commons. It has offered to substitute question period from Queen's Park, but on a delayed basis.

Mr. Mancini: Is that the best they could do?

Mr. Mitchinson: That is what they have agreed to do at this point. They have also agreed to develop programming around question period if the committee requests it. I think they are very much aware of the committee's view that there should be better coverage than 11:30 at night, but we have not yet focused that since it is down the road a bit. We are very much aware of what you people want.

Mr. Bossy: The comment was made here to do it well if we are going to do it, which we are. But the only way to do it well is to have a separate channel available for that purpose only. Otherwise these other cable companies will just plug in when they feel like it.

Mr. Martel: I find the whole thing about televising at 11:30 at night obnoxious. I find TVOntario's position obnoxious. Maybe we should cut off all their funding by about \$40 million a year or tell them they are going to operate it in the middle of the day when it can be used in schools and so on as part of the curriculum.

Mr. Mitchinson: The TVOntario issue has not been resolved. We have not received any decision from TVOntario as to what they are going to cover. It is ongoing.

Mr. Martel: The value of this is not at 11:30 at night, in my opinion. It is that we can get it into schools, universities, community colleges and high schools, so it becomes part of what a teacher can use when they teach people about politics or man and humanity. If we are going to pump \$39 million or \$40 million into TVOntario as a government, we should have some prime time from those beggars. That should be our approach.

Mr. Applin: The throwaway comment I made about 11:30 is not the end. All I am saying is that their first reaction was: "The minimum we can do is to replace the House of Commons that we run now. Let us continue our discussions around how it is used."

Mr. Martel: My concern is that we make it valid in today's society and through the education of our kids; that is in prime time during the day so it becomes part of the school curriculum if teachers want to use it.

Mr. Applin: I think your point is well taken.

Mr. Warner: I am a little frustrated over this, because that was their position when they came in here and talked to us. One of the things I thought we had tried to make clear to them was that we were not looking at this as an either/or situation, either Ontario or the House of Commons, regardless of the time slot. I do not think we want to be seen as trading off against the House of Commons, that somehow our programming is more important. It is surely of an equal status. TVO perhaps has an obligation to cover both the Legislature and the House of Commons.

They have dug backwards. They know this system is not coming into place until March 1986. If they want to look at an interim measure for the spring, fine, but surely between now and next fall when they have to plan their new programming for the fall, they can come up with a little better answer than 11:30 at night.

Mr. Mitchinson: We will certainly deal with the issue with TVOntario.

Mr. Warner: I do not mean to dump on you.

Mr. Chairman: It is somewhat irrelevant whether or not TVOntario itself carries it if the programming is available on a local cable service. It makes no difference whether TVOntario is broadcasting this if you can pick it up off a local cable channel at the same time.

Mr. Warner: In some areas, yes.

Mr. Martel: It does create a problem. If you are in southern Ontario you have these, but there are many parts of northern Ontario there is no cable.

Mr. Chairman: There are many parts of southern Ontario where there is no cable too.

Mr. Martel: My friend who lives 10 miles west of Sudbury in the town of Walden has no cable, but there is 95 or 96 per cent coverage now by TVOntario. That is a network that we fund heavily. I do not want to dictate to somebody, but when you are putting in the kind of money we do to keep that thing going, then I think we have a right to say that is part of the ongoing democratic process.

Mr. Chairman: At any rate, that is a matter of negotiation. I would really like Mr. Applin to get through this presentation because there is a part in the next one you might be interested in too.

Mr. Applin: Let me just finally say we have already made contact with representatives of the major news networks, CFTO, CBC, Global, etc., and also with the president of the press gallery to keep them up to date with what we are doing. So they will be communicated with throughout the process of developing this system. We are very conscious of the agreements and the commitments you have given to the news agencies.

On the issue of staffing, what we tried to do is to make a first cut at the number of people we think will be necessary to operate the system as we proposed it, both in the House and in the committee room. There is obviously a need for somebody to deal with the overall administration of the TV unit--a director of broadcasting. Also probably a technician to deal with the issues of technical feasibility throughout the system.

In terms of the assembly room, we see the highest coverage being staffed by a director plus two camera operators and a technical operator, a person who ensures tapes are in place, the members' names come up properly and the technical operator also spells off the two operators. In the committee room, we see that being operated by a technical director and one camera operator.

We have made a first stab at estimating staffing requirements for translation and signing. It depends on whether you want to go with translation and signing for gavel-to-gavel coverage or only for question period. We have estimated a total of five people if you want full coverage and three people if you want coverage for question period only.

The signing person does not have to be anywhere near the House as long as he or she is within sight of a video and the audio. He or she can be in a room with a camera, or at TVOntario for that matter. But you will need people to spell off the signer, because he can only keep going for a certain period of time. Of course, I think the need to spell off translators is even more acute. You can only translate for a certain period of time.

I would like to deal with the issue of implementation. Let me just bring you up to date with some thinking that has gone on in the consulting group around the problems of getting this system in.

11:10 a.m.

First, we have the issue of delivery of the computerized camera heads. It takes six months to design and test those

computerized camera heads. By testing I mean the software development, the integration with the control panel, making sure it does what it is supposed to do, the engineering design. So there is a six-month delivery on those. If we start, which we have done, developing the specifications and going to tender, we are unlikely to take delivery of those before June 1986 at the current rate.

Second, we have that growth of issues around the House and the changes that are needed in the House. You are all aware of the crucial seating problem. You may not be aware of the fact that the floor is a mess underneath. It is very difficult to get under that floor in its present state and pull cable through. It is a spaghetti junction under there. We need a window of about 12 weeks to put the system in place, make the architectural modifications and get out.

Let me just finish my line of thinking, if I may, Mr. Martel. We need a clear 12 weeks of time to do that. We understand it is unlikely we will get 12 weeks over the Christmas break. We cannot get in there to install the equipment anyway because we will not have the time until June. So what we are proposing is that you give us 12 weeks in the summer where we can do all the changes that are being proposed to the chamber. That means relaying the floor, putting the new seating in, making all the architectural modifications related to this system, putting the new audio system in, installing the lighting and the cameras. That would mean you would be up and running with a test of three to four weeks in October to get used to the system with a broadcast date of November 15, 1986.

Mr. Chairman: The other thing you might want to add is that when we went to the board with this, we entertained some discussion that to have a starting date of March was contrary to this committee's wishes and many other members' wishes. So the other proposal on the table is if we are relatively satisfied with the product that is put together by the end of the four-week testing period, in other words after we used temporary cameras, temporary stands and some adjustments to the lighting, the board will entertain the notion of using that technique during the spring session. If that works out, it would mean we would be able to begin some broadcasting in the spring session of this year. It gets us around the technical problems and problems of rebuilding we have run into here. How actively that is pursued by the board depends on how successful we are during the trial period in the latter part of the fall session.

Mr. Mitchinson: I would like to add just a couple of comments to that. Certainly the distribution of that signal for the spring session would be very limited. We could not make much headway on the distribution side.

My own personal concern about the signal is that when it goes out and is finally in place, I want it to at least approximate the quality of what we are ultimately going to deliver. I think people's first impressions of what we are doing are very important. If we are going to get a significantly inferior product prior to the introduction of our audio system and

our quality camera system, then we have to think very seriously about whether the price is worth it. We will test this stuff in the next little while and we will be in a better position after that to make some decisions.

Mr. Chairman: The other thing I have noticed is that the CBC, for example, which has steadfastly and resolutely refused to use very much footage from the House, has begun to use feed from the House, with existing lighting, existing cameras and an existing audio system. It is now using it on the news reports, which is somewhat different.

Mr. Applin: It bought new cameras. Maybe that is why.

Mr. Martel: I really want to raise an objection to June-July as the period for the construction of the floor and the desks. We were led to believe in July, when we agreed to the temporary arrangement that is now there, that it would change by October of this year.

I am no expert, but I know a little bit about construction. To put a subfloor on another floor does not take three months. We have been hornswoggled into that seating arrangement. It took government services two and a half full months. I went into that Legislature with Ross McClellan and the Sergeant at Arms in July, before the present arrangement was made.

It was temporary so it could be done while the House was out this past summer. It is an awful seating arrangement and I cannot understand, when one considers that the job is the straight cutting of floors, one floor and then a second subfloor, putting in four rows of desks and running some wires underneath, why in God's name one even starts to tell me it is three-month job. That is what I am being told. I can bring you in two good carpenters tomorrow who would tear that whole bloody place out and put in that new floor and a subfloor and be able to run wires to whatever you want to connect to in about three weeks. I know a little bit about it and I have relatives who are in the bloody business. This government services crap just blows my mind.

Mr. Mitchinson: It is somewhat unrelated to this project, but I can let you know that at the Board of Internal Economy last Monday, there was a presentation from the Ministry of Government Services about it, they considered whether or not to go with an interim solution in the winter months and the decision was to not proceed to do anything on an interim basis.

Mr. Martel: I am simply saying we were hoodwinked when we agreed to the arrangement that was supposed to be done this summer. It took Government Services two and a half months to put a floor plan before us. That is heavy-duty stuff, drawing 125 desks in three or four different configurations. That is really rough work and it takes two and a half months to do that. I understand that difficulty.

Mr. McCaffrey: It took two and a half months to figure out how far back to move Mr. Sterling and I.

Mr. Martel: Is that it?

Interjections.

Mr. Martel: There was a proposal for a gondola.

Interjections.

Mr. Martel: It is just insane every time you let the Ministry of Government Services touch anything in this building.

Mr. Chairman: At any rate, this is the work of the wonderful Board of Internal Economy.

Interjections.

Mr. Warner: You had what I thought was a very reasonable suggestion on this, and I think that we should, as a committee, make what we think is reasonable and can be achieved crystal clear to the Board of Internal Economy. For starters, if the goal is that live television goes out of this place in the spring of 1986, then people are going to start moving. There is no question, that for whatever strange reason, the Ministry of Government Services appears to resist any kind of change around the place. They do not like the idea of the Speaker having control of the building. They do not like the idea of making changes to this, that or anything else, but somehow, the wishes of the members have to prevail. It is the members who assemble here.

Mr. Chairman: If I am ever allowed to get through this consultant's report to the committee this morning, we might be able to consider motions of that kind.

Mr. Warner: I am sorry. I got triggered there.

Mr. Applin: Let me leave you then with two last slides on the budget. Let me first tell you the assumptions we made because there are a lot of assumptions in this budget. It is a preliminary budget and I want to emphasize that.

We have shown all of our costs as list costs. Recognize that you, as a government, will be able to negotiate with a selected supplier to get discounts of approximately 15 per cent off list.

Second, we have assumed operating expenses for the enhanced services, the signing and the translation, for gavel-to-gavel coverage as opposed to just question period. We have assumed that the staff of the unit will be full-time, although some negotiation will take place around the terms and conditions of their employment because of the time they will not be fully utilized. We assume that you pay provincial sales tax at the full rate.

What I have shown in the budget on the next slide is the cost of the system you proposed. When you went out and took a look at Regina, you came back and proposed a system that covered the House and the committee rooms, without any particular reference to the need for reflooring, relighting or a new audio system. I have shown those costs separate from the cost of enhancements that have

come up as a result of our investigation. I have also shown estimated capital operating costs and have split it into 1985-86 budget year and subsequent budget years.

11:20 a.m.

What you get are two charts: The basic system which is the top chart and the enhancements contained in the bottom chart. Full cost and what it would be if you save 15 per cent on the capital; capital operating, a total figure, 1985 and 1986.

If you look at the system you designed and proposed in your report, it comes out at roughly \$4.4 million at full cost or \$3.9 million if you take the 15 per cent off the capital that you are likely to be able to negotiate. The enhancements are going to cost you roughly \$3.2 million or \$2.9 million, depending on whether you go full or reduced cost, for all the changes associated with the lighting, the acoustics, etc.

The \$7.3 million is a combination, as Mr. Martel has pointed out, of the \$4.4 million and the \$2.9 million.

Mr. Chairman: This is a little difficult to get across and you may be asked some questions about it. It is worth noting that our number of around \$2 million was in the ball park. The additional cameras, the additional work that has to be done is what has taken this out of sight.

We are, to my regret, probably going to be hung with the idea that in the process we are going to rebuild the chamber. I wish that were not so, but that is so. That is how the numbers got quite this high.

What this committee recommended has been roughly adhered to. The cost estimates are somewhat higher than we had originally anticipated. The difference is that a lot of other work that has to be done to the chamber anyway has been rolled into this project somewhere along the line. There is not very much we can do about it. This is not our job. This is the job of the Board of Internal Economy. They chose to do it this way so this is the way it is going to be done.

It makes no difference to me whether you put in a new floor, new acoustic equipment, build this and do that. It all had to be done at some time. I just regret somewhat that it got rolled into this proposal, but there it is.

Interjections.

Mr. Bossy: Was there an estimate made, prior to considering television, of the cost? We know there is redistribution and more members are going to be in this Legislature. What money would have to be expended on changes--more wiring in the present House because there are more microphones; I am talking without television--to accommodate the redistribution if there are 140 or 150 members.

Mr. Chairman: It is not unreasonable to say that of this cost estimate, a little better than \$3 million would have been

spent at some time under some recommendation, no matter what. It might have been that we had a redistribution and we need more seats. It most likely would have been that we simply needed a different seating arrangement anyway. It would have been in response to complaints from members about the current audio system or about the glare of the television lights. One way or another, about half of this expenditure would have occurred with or without the televising.

Mr. Morin: It should be expressed that way too.

Mr. Chairman: My only complaint is that I would have preferred if it had been done in that way. I read the newspaper story too, and I had to answer the reporter's questions. I think the truth did come out in the story, but that was not in the headline.

Mr. Bossy: It follows what Elie said about the seating plan being wrong, that we should make those changes during the Christmas break. We should be able to do that. Then that would be separated--once we go to the television at the end of June, then it is related to the televising of the House. The accommodating of lines in that floor, the accessibility to the floor itself will always have to be there for repairs or whatever it might be. If we could get that construction in place during the Christmas break, we would go a long way towards separating these costs and we would avoid being accused of spending \$7 million for televising instead of \$3 million.

Mr. Chairman: I was just grateful that they did not include the domed stadium in this. That is about all that is left out.

Mr. Newman: They thought of it.

Mr. Chairman: I am sure somebody did.

Mr. Martel: We replaced the sound system five years ago. We did not get the right equipment and we turned around and put in some more equipment. Remember that hassle? That is not part of the cost of television. We had to go to a new sound system because the present one does not work right.

Mr. Mitchinson: We do not see it that way, either. Our hope initially was that the existing sound system would be adequate to drive the new video system, but it just is not.

Mr. Martel: It is not even good for the use made of it now.

Mr. Chairman: At any rate, all of this is discussion on a matter that is within the purview of the board, not of this committee.

Mr. Martel: Let me defend the board. They do not put that together; it is put together by staff and is laid before the board to consider in that light.

Mr. Treleaven: What is going on? Are you trying to defend the Board of Internal Economy?

Mr. Martel: Management at the Board of Internal Economy could have divvied it up and presented it to the board the way they wanted to, and the board would have accepted it that way. It is not the six members who sit on that board who prepared the material that was laid before the board; it is prepared by the staff. I am going to defend my colleagues on the board by saying that staff could have sized it up differently and separated it differently, and the board would have voted on it the way it was presented. I have been here too long not to know that, and I think they took the easy way out. It was laid before them, they voted on it and there it is. Tell me who instructed that it be done differently.

Mr. Mitchinson: So it is clear just what the board did do, the board was presented with an estimate of the probable project costs that were prepared by the project team so they would know what they would be facing down the road. They did not approve a budget of \$7.3 million.

Mr. Martel: That is right.

Mr. Mitchinson: They approved in principle what we were trying to achieve. When money is required to be voted on this project, it will be presented very specifically and identified with respect to whether it is part of the television installation, part of the chamber renovation or whatever. It is perceived to be all lumped into one, but the board has not approved \$7.3 million for this project, and that is unfortunately what came across in the press report.

Mr. Martel: Yes, but the only reason it could come across that way in the press report would be that there was a minute that showed it in such a fashion. If one had put the floor in a totally separate item--

You can shake your head.

Mr. Mitchinson: There was no minute that said it.

Mr. Martel: Okay. How does it come to the press--

Mr. Mitchinson: Somehow one of the press people got a leaked copy of the consultant's report that dealt with all the costs. There was no minute at the Board of Internal Economy. What can you do? It is an uncontrollable thing, as far as we are concerned.

Mr. Martel: One could have had a report that showed the different costs, those attributed to television and those attributed to repairs that should have been made a long time ago.

Mr. Mitchinson: That is what this report is.

Mr. Chairman: To be fair, at the board the report was presented exactly as it is now, with the different cost factors

all sorted out and all clearly identified as to what they were. I do not know what more you could have wanted, except that it would have been preferable, perhaps, to go about it in a slightly different way.

11:30 a.m.

The problem is that it makes some sense to do all of this at the same time. The other difficulty is that attempts to refurbish the chamber, do the floor and improve the lighting have all got sidetracked along the way. There now appears to be a breakthrough in that.

But in fairness, the costs were separated out. The board cannot control what the Globe and Mail writes. When I went to the board meeting I was somewhat taken aback that by the time I got back to my office a reporter was on the phone with a copy of the same report the board had just seen. That struck me as a little unusual. Those were the facts.

Can we move to the trial period?

You may have noticed that this committee is not quite as compliant as the board. It is a little rowdier.

Mr. Mitchinson: The board is not always compliant, either.

Mr. Chairman: The recommendation for interim financing has been made and accepted by the board to get the engineering costs under way and to pay for the trial period. We have copies of the trial period in front of us this morning. One of the reasons we appreciate the chance to have you here is that we are very interested in the trial period. Before we go through all this, I would like to get on the record the committee's request that during the trial period an attempt be made by staff to prepare something that is manageable.

I do not think this committee wants to watch tapes of four weeks of televising. What we would like to see is perhaps a 30-minute presentation in which you show us different types of lighting, the kind of analysis I am sure you will be doing anyway. After the trial period it would be useful to come back to the committee with a 30-minute or 40-minute videotape, something in manageable form so we can look at different lightings, cameras, shots, sound problems and things of that nature. It may be possible to do this through the test period or it might be preferable to save up material and do it after the test period.

Mr. Applin: May I address how we want the feedback? We want as much feedback as we can get from all members. We are proposing to do several things to address that issue. First, we are proposing to feed the live signal into the members' lounges--

Mr. Mitchinson: Members' lobbies.

Mr. Applin: --members' lobbies and provide television sets there for them to watch. We are also proposing to develop a

questionnaire, a rating form, which people will be encouraged to fill in and drop into a box with no accreditation as to who is who. It will get some feedback from people as they walk by, watch it and have a reaction to the signal.

We are also proposing a more formal evaluation in which we put together tapes that are labelled low-level, medium-level and high-level lighting, because the concern you have is really about lighting and the television procedures we follow in the coverage. I do not think you are particularly interested in the different kinds of cameras we will be using in the test. We are proposing to do that in a formal sense and asking you to rate the output using the rating form so we can make it as organized and as disciplined as possible.

Mr. Chairman: Are there any other concerns about the test period? We do not want to go through all the details, but we do want part of the recommendations. Part of the committee's concern was that a committee of the Legislature be an active participant in the process of establishing how we do it and what equipment is used. It would be useful. I do not know whether we can do this on a weekly basis. You have some good suggestions about picking up information and the reaction and different people's perspectives on it. What proposals do you have for coming back to this committee and doing that in a formal way?

Mr. Mitchinson: We could do it periodically throughout the test. It is important that we have the first week of the test to play around and get comfortable with it, but in the latter stages of the test we can either meet with you on a schedule or meet with you afterwards. Between us we can come up with the best method.

There is a little more involvement if we are to edit a 40-minute segment that shows you all the various things that took place during the week as opposed to showing you a 40-minute tape of an individual day. I am not sure what is involved with that. We can look into that as well. That, to me, makes the most sense. We are going to design a very formal assessment grid in which certain things are tested at certain hours on individual days so that we have a record of what lights and cameras were used. We can highlight for you formally the kinds of things you wanted to see tested, directed at the guidelines, such as how a split-screen coverage of an incident looked or an over-the-shoulder shot, those kinds of guideline testings. Basically, it will be whatever makes most sense.

Mr. Chairman: In general terms we are looking during the latter part of the test period to have a reasonably informal occasion when you can come before the committee and demonstrate what your problems have been and those you have resolved from a technical point of view. You can also get some feedback during a session of the committee on problems that members have run into, things they like and things they do not like--that kind of stuff.

Mr. Mitchinson: That would work out nicely for us as well.

Mr. Chairman: Is there anything else from any of the committee members on this? We thank you for coming in this morning and for putting up with us for a rather lengthy period. We appreciate the effort you have made to try to keep us updated on what is happening with this, and we look forward to the beginning of the test period. Thank you very much.

SIMULTANEOUS TRANSLATION

Mr. Chairman: I would like to go through a couple of other items on the committee's agenda this morning. It seems to me that the simultaneous translation thing is in hand. It is on the way, and decisions will have to be made at a subsequent date about how we can do it in a technical sense.

Are you satisfied that this matter is still under active consideration, that we are working on it and that, when this system is in place, we will have an obvious way to do it, or is there more that you want?

Mrs. Marland: Has a decision been made that the Legislature wants it?

Mr. Chairman: No. So far, technical proposals are being made as to how it might be done, when it might be available--

Mrs. Marland: And the cost.

Mr. Chairman: --and some early ideas of cost. Since you would be translating for television, you could probably allocate half the costs to television and half to Hansard.

Mrs. Marland: Are you referring to the printed Hansard?

Mr. Chairman: Yes.

Mrs. Marland: I am told that the cost for the printed Hansard translation will be something like triple the cost of the Hansard we have today.

Mr. Chairman: Before we get into that very deeply, I would like to see some estimates on it. I am not aware that anyone has ever done that. It is done on an ad hoc basis.

Mrs. Marland: I hope we do not spend too much time going too far down the road on the question until we decide whether we want it, and we must have the cost in order to make that decision.

Mr. Chairman: Yes. At some point the Board of Internal Economy will have a hard-cost estimate for providing translation services for television production. Then the simple decision would be made about how you would allocate those costs and whether you wanted to make it available to the members. We are a piece down the road from that now.

Mr. Warner: Mr. Chairman, I have three brief comments. Unfortunately, I have to leave, so I will make them brief and, I hope, succinct.

On translation, we normally start from a philosophic point and then move to the practical aspect of cost and implementation. I hope it is well known among the caucuses that we have reached a stage at which it is very important, probably essential, to provide simultaneous translation in the chamber.

11:40 a.m.

Each of the three caucuses, thank goodness, has members whose first language is French and who also happen to speak two languages, to the shame of many of us anglophones who speak only one. This is something that anglophone members like me are obviously going to have to try to improve. We have to learn how to speak French.

But at the same time, the philosophical point is that we must establish simultaneous translation and we must put it into the standing orders. That means a report from this committee at some point. The cost aspect obviously will be dealt with by the Board of Internal Economy.

Second, your question about agency reviews: I agree that we should be reviewing some in the off season and I would suggest it would be appropriate to review the Urban Transportation Development Corp.

The third thing I wanted to ask about is procedural. Is it your intention to determine answers to item three on today's agenda?

Mr. Chairman: No.

Mr. Warner: Do you want to come back to this?

Mr. Chairman: No. There is a fundamental question that has to be resolved before we pick particular agencies.

Mr. Warner: Okay. If I remember some conversations from way back, the idea was to roughly pick out a number of eight or 10 or something.

Mr. Chairman: Yes.

Mr. Warner: Then we would split them into two categories: those that would require a fair bit of workup and background and those that we hope are a little easier.

Mr. Chairman: Essentially, we have been mindful that we only have the services of one researcher and our capacity to do research on large agencies is somewhat limited by that. So it has been very pragmatic.

Mr. Warner: I am supporting that. To split them into two categories is a good way to proceed, whatever you think is appropriate as far as time is concerned. I would like to see the UTDC as one of them.

Mr. McCaffrey: You have an agenda and you have been

patient, Mr. Chairman. You probably spent more time on the first part than you wanted to. That is why I am reluctant to raise a slightly different point, except that I think there was a conversation this morning in connection with repairs and structural changes in the assembly and the whole matter of costs, perhaps even the question of simultaneous translation. All that just brings me back to our recommendations as a committee and the Board of Internal Economy. I believe this is at the root of a lot of these problems. Eli Martel's exchange with Tom Mitchinson reflects that to some extent.

We as a committee made a recommendation, which is now public, that we alter it a little bit. As I recall it was that there be one or two fewer ministers than in the present system. However, I deeply believe--and it may be worth even 10 seconds to persuade me otherwise--that we must have a fundamental change in that board. It should be all members and no ministers, with the appropriate larger number being government members. Also, all meetings of that Board of Internal Economy have to be in public. Why did we not go that extra step in our recommendation?

Mr. Chairman: The question was before the committee and at that time it essentially seemed to be content that more ordinary members be appointed to the board. It did not exclude members of the cabinet. The recommendations on that particular matter would be a fairly substantial change, but there still would be representatives of the cabinet on the board. It may stem from the fact that now the board is essentially the agency that spends money. Traditionally, the cabinet would retain monetary control over that. That, essentially, is it. Mr. Treleaven?

Mr. Treleaven: I will let Mr. McCaffrey finish that topic first, because I will be back on the future agencies, boards and commissions.

Mr. McCaffrey: I always have believed it had to be changed and increasingly I see a number of items, including this morning's estimates.

Mr. Chairman: Let me just try to work through this a little bit. I take it the members want more information on simultaneous translation and what we might be concerned with on that. You would like to see that item returned to the agenda at a subsequent meeting. Is that right?

Mr. Treleaven: With some hard numbers.

Mr. Chairman: I do not know about hard numbers, but we can address ourselves to the part that is procedural.

Mr. Morin: Just to answer Mrs. Marland's concern, I think Yuri Shymko indicated it very well in his remarks. We have the authorization to speak French in the House but we do not have any service to translate it. It does not make sense.

Mr. Chairman: Here it is a practical problem. Members are speaking French more now than they used to. Other members do not understand it and therefore have some difficulty following.

However, the practical problem is that those who might chair the House or committee of the House will be placed in an invidious position.

If Mr. Morin came in here and chose to exercise his right to speak French in this committee, then unless he did so with great care and deliberation and gave me a lot of time to look up particular words, I would be asked to make a ruling on something and would not know what the topic of conversation was. So we have a practical problem that is on our agenda now and we will have to resolve it. I do not think we are quite prepared to do that today, but I would be happy to keep it on the agenda and bring it back when we have a little more substance to try to deal with it.

Mr. Morin: I would like to pursue it just a little further. There are five French-speaking members in the Liberal Party and one in the New Democratic Party.

Mr. Chairman: We have four or five people who speak French.

Mr. Morin: Nothing could prevent them from coming the day before to say they would address the House in French. I could take the chair at that time, and arrange to have a translator on the spot. Before jumping to the conclusion it is going to cost millions of dollars, you have to look at it in a practical way. What does it entail? What does it mean? If you come up with an argument that it is going to cost a great deal, you will frighten people. If we cannot use the federal example, we will never learn.

We know very well what happened there. Let us not have the same situation occur here in Ontario. There are too many examples. My God, if we cannot understand and learn from that, I do not think we are serving the public properly.

Mr. Chairman: I want to point out before we continue much further that the matter we have before us is not on printing costs or hiring staff, but the provision of translation services to members, which is the practical problem that has to be resolved. My information indicates that can be done either with zero expenditure or, if you want, by spending a whole lot of money. It depends how you go about it. I would remind you it has been done before in our Legislature, so there is a precedent.

Mr. Martel: I do not want to get involved in costs. Quite frankly, I do not care what they are. I know that recommendations were made for instant translation in 1976. I also know that whenever the francophone community has appeared before the cabinet of Ontario there was instant translation. It has always been provided down the hall. It has never been provided for the rest of us slob, and I think that is the phoniest type of system you could have, whereby if representatives of the francophone community come in they can speak to the cabinet in French, but if it is for the rest of us, we start to worry about costs.

Canada has two official languages. We wonder why Quebec wanted to secede at one time. Let us understand that is the

reason. We do not ask what it costs to put Hansard out in English all over the province. We never worry about that because we automatically expect it to be in English. Perhaps we should have it in Swahili and everything else, instead of English. Then we would start to look at it very pragmatically and say, "Wait a minute. We need these services for those of us who speak only English." However, those who speak both languages find one is excluded, and yet we have provided the service for the cabinet over all these years. We have never worried about the cost.

I worry about our saying, "Let us put Gilles Morin in the chair at the time," because for those others of us--I have some working knowledge of French; it does not function well for an audience, but I speak French in my riding office in my constituency. I do not do it well, but they are entitled to speak French.

We would learn a lot if we could sit there, because I find the biggest problem in dealing with my constituents is that I have never heard the technical language of politics. I recall being in Quebec in 1972 with the select committee, and they were telling us they were trying to translate the Highway Traffic Act in France into language they could use in Quebec, and the people there could not understand the technical language.

11:50 a.m.

Here we talk about taxes, but it is les impôts. We do not hear that technical language. If I wanted to speak to someone in my riding and I had instant translation, I could listen to someone speaking in English. I could listen to the person doing the French translation and I would be able to communicate with language that I am not familiar with and I have never heard in Ontario and therefore could not possibly know.

I think it is a given. I am not worried about the cost because it is time the francophone community got what it is entitled to. We have only been waiting 117 or 118 years, so I do not want to talk about cost. I want to say, yes, let us proceed and recommend.

Mr. Chairman: I hear the committee saying it wants to have some more substance on the matter in front of it. It will stay on our agenda and we will deal with it at a subsequent meeting.

AGENCY REVIEW

Mr. Chairman: The first question I would like you to consider is agency review. The separate committee that we requested in our report be set up on rules may not be in place for January and February so it seems quite in order that we have to proceed under existing rules. We still have the jurisdiction of doing agency review. If you would answer one question for me today, we could set aside which agencies until next week. You have the list there and can review it.

Is it the committee's pleasure to continue to review

agencies in the January-February period? Do you still want to do that?

Mr. Treleaven: Yes, that is our mandate now. What are the alternatives?

Mr. Chairman: The alternative would be to set up another agency committee under the new rules and let it go at it. My concern is that until the House resolves that issue, we are still charged with that responsibility. It is a question of whether we want to proceed and then pick the agencies that we want to review. Is that the way you want to proceed?

Mr. Treleaven: Right.

Mr. Chairman: Okay.

Mr. Treleaven: May I then move to a bit of fundamental background? I will take the responsibility that when I became chairman I reversed the process. When this committee started, it first did about 10 agencies and then worked down to six, five, four. When I became chairman I moved the committee back up to doing six, eight and 10 agencies. I fully admit that and that was partially an error. It would be fine to move back to 10 if they were minor areas that could be looked into well and carefully in a half day or a full day.

It is an error from two points of view to review so many agencies, boards and commissions each half year. First, we do not have the staff. We can get around that partially by doing what we did about a year ago, which was to get John Eichmanis an assistant to help him out. That is partially the answer. However, it really bothered me to go in and review the Canadian National Exhibition Association and the Toronto Convention Centre and try to come up with some meaningful, impartial, sensible decisions with not only the relatively little information that John could research, but the relatively few questions we could even ask.

I feel very guilty about reporting whether those agencies--and you could think of other examples--are doing a good job or a lousy job. We did not have the time and, with the present staff, do not have the time to go into these kinds of ABCs and get to the bottom of anything. The positive part of this is that, as Mr. Warner mentioned, we may be able to handle for a week a few of the smaller ones that we can bang off in a half day or a day, and then we can intensively do one or two that may take us up to a week each. I feel guilty about making recommendations on ABCs when we honestly cannot get into them enough to know whether we are just blowing in the wind.

Mr. Chairman: Let me summarize by saying that you want to do a review of agencies in the winter break period. The time frame will be approximately two weeks; it could be a week or so either way. By its nature, that limits the number of agencies that we review. I would ask you to take the lists of the agencies which have been given to you and the ones that we have reviewed and come to the next meeting with your short list. We will see if we can work out a schedule then.

GOVERNMENT APPOINTMENTS

Mr. Chairman: The next major item on the committee's agenda is the scrutiny of appointments. Let me run down these as quickly as I can to see if I can get consensus. I take it you do want to have public hearings to advertise and to call for written submissions. Am I right?

Mr. McCaffrey: Gentlemen, from whom do you expect or hope to hear?

Mr. Chairman: I think we have to put reasonable notice in publications around Ontario. For example, I know there are many ethnic organizations who have made public statements about how appointments are made and how they are represented. They, obviously, would like to be present. Labour organizations would like to be present. Social and cultural groups have formal positions. I think we will have to provide a vehicle whereby a public hearing is held and they get a chance to make a formal presentation.

Mr. McCaffrey: Thanks.

Mr. Chairman: All right. The next thing is when we would begin our hearings on the matter. With any kind of notice here, we could probably start a little bit in the latter part of November, but we are really looking at December dates for doing that.

Mr. Morin: Here?

Mr. Chairman: Yes. I am thinking about holding hearings here and giving people a notice of a couple of weeks by putting ads in newspapers. We are looking at dates in December. We are a little bit confined in the sense that we are scheduled by the House leaders to meet on Thursday mornings. I think we can adhere to that, but I also think we should give some consideration to having a couple of evening sessions because many of the groups that might want to appear will have people who cannot take time off work to come before this committee. We should try to arrange a couple of evenings when we can be in session so people from out of town who may have to travel or others who may be working during the day will not have to lose a day's pay.

Is that reasonable then, that we would try to negotiate dates in the month of December on our regular committee hearing day and a couple of evening sessions, maybe even a bit more?

Mr. Martel: A couple of Wednesdays.

Mr. Chairman: It is quite possible.

We will make members of the Legislature aware and, of course, they are free to come before the committee at any time and be participants. Do we want to do that in a more formal way?

Mr. Treleaven: Yes.

Mr. Chairman: So we want some kind of notification to go

to members of the assembly that we will be undertaking this project and we are soliciting their opinions, briefs, whatever. I am not anxious to hear 85 members of the assembly come in and tell us who is on their shortlist for appointments, but we will try to frame that in such a way that we are talking about process rather than your aunt Martha.

The next matter is a little more difficult to deal with, and that is: what do we do in the interim? To state the obvious, it does seem a little ridiculous that we would be reviewing the entire process and not make mention that it is tough to have business as usual at the same time. What happened with the McGrath people federally is that they said: "When they are done by order in council, send them off to a committee and the committee can be aware of what is going on. The committee may be able to review it after the appointment has been made."

You could go everywhere from writing a letter to the Premier and asking as a committee that the Premier cease appointments. The only problem with that is that there is some measure of practicality here. There will be some which have to be done. The head of a major agency may die and the agency cannot continue to function until we finish writing our report.

It is certainly very possible to draft a letter to the Premier's office saying: "You should be aware that we will begin the hearing process early in December and in that time you should be sensitive to the needs of the committee with respect to having some legitimacy in having hearings and be careful or slow down or in some way alter the normal appoint process."

You can say: "We would like to see these things referred if they are done by order in council through a standing committee so that we can monitor and be aware of the kind of appointments."

That is the range of stances that you could take.

Mr. McCaffrey: I think the letter you have outlined to the Premier is fair and appropriate.

Mr. Treleaven: I do not believe it is appropriate because your initial statement presupposes some amendment to the present system.

Mr. Chairman: Yes. That is what we have been asked to do.

Mr. Treleaven: That might not necessarily be so.

Mr. Chairman: If I could just clarify for a minute what the committee has been asked to do, the committee has been asked to review appointments in the public sector and out of that to report on a publicly known mechanism. That in itself is going to be a major alteration from the current process.

12 noon.

Mr. Treleaven: If that is the mandate we have, it does not forestall this committee coming back and saying it recommends

no changes and staying with the existing system.

Therefore, I really hesitate to write to the Premier now, presupposing the committee's report and recommendations, before we have some.

Mr. Chairman: Let me just read the terms of reference for the committee on this: "That the committee also have the power to examine and report on the methods by which it believes appointments should be made to agencies, boards and commissions to which the Lieutenant Governor in Council makes some or all of the appointments, and all corporations in which the crown in right of Ontario is a majority shareholder." That is a major alteration from the current appointments process.

Mr. Treleaven: I do not read that into what you are reading.

Mr. Chairman: No committee of the Legislature has ever previously looked into or examined appointments in any way, shape or form.

Mr. Treleaven: With reference to how they will be made.

Mr. Chairman: Yes.

Mr. Treleaven: However, it is quite possible, is it not--

Mr. Chairman: What we are examining is how they are made.

Mr. Treleaven: We are to examine how they are made and make recommendations, are we not?

Mr. Chairman: Yes.

Mr. Treleaven: Will you not acknowledge it is quite possible this committee could look into the means and come up with a recommendation that they continue to be made in the same way?

Mr. Chairman: However, in the process of doing that, we will unveil how they are made for the first time in the history of the province. That is a major change.

Mr. Treleaven: Fine, but are you not presupposing?

Mr. Chairman: Even if we did nothing, it would be a major alteration.

Mr. Treleaven: You are jumping to a conclusion about what the recommendations from this committee will be.

Mr. Chairman: If we made none at all, it would be a major alteration from the current process.

Mr. McCaffrey: My understanding of the letter to the Premier was that it was simply a courtesy, to state our timetable and mandate and that we will get at it at during such and such a period. I know what Mr. Treleaven is saying and this is not the

time for me to go into it. I have a position already when we get around to making recommendations, but I do not see this as either/or. I do not think advising the Premier of our schedule is tantamount to saying we are going to make recommendations to change the status quo.

Mr. Chairman: I am hearing that the committee is not going to send a threat to the Premier's office. I agree with what Mr. McCaffrey says, that we should inform the Premier we are about to undertake this and implicit in that is that it would not be very kind, for example, if he announced 800 appointments in the first week of December.

Mrs. Marland: That is right.

Mr. McCaffrey: As long as he appoints Bette Stevenson and Claude Bennett, we will be happy.

Mr. Chairman: Is that an acceptable way to proceed?

Mrs. Marland: Yes.

Mr. Treleaven: Are you suggesting we simply inform the Premier we are starting this search for information in early December?

Mr. Chairman: Presuming what would be in the letter, obviously we would tell him we have done considerable research on the matter, the paper research part has pretty well been concluded and we are now going to begin a formal, public process whereby we examine other aspects. While we are doing that, we are asking the Premier's office to be sensitive. We could advise him we would have a bit of a credibility problem if, while we are doing this, there was a major ream of appointments from the Premier's office. We are asking them to be sensitive to our needs.

For example, in my view, we would have no credibility if we held hearings and the Ontario Federation of Labour walked in here and said, "We think this is what you ought to do in the future, but this morning 900 appointments were made, so this is all out the window."

In other words, we are just asking them to put the brakes on the system for a little while.

Mr. Morin: You cannot stop it.

Mr. Chairman: We are not asking to stop the system and I think the obligation rests with the committee to make sure it works expeditiously through the process of writing this report.

Mr. Morin: Was that never done under the Conservatives?

Mr. Chairman: No, never.

Mr. Martel: Are you kidding?

Mr. Chairman: I think we have a rough idea of where we

want to go.

WITNESSES BEFORE COMMITTEES

Mr. Chairman: The next item on the agenda is witnesses before the committee. Just for your information, we did a major report on this, the House did not debate it and we have not had a response from the government. This rather stands out in the sense that I do not recall another report from this committee which was ignored in quite this fashion. It has been proposed that we ask the Attorney General (Mr. Scott) to review and comment on the recommendations in this report before we deal with it any further. It would just be a letter to the Attorney General's office asking whatever happened to it. Is that okay?

CONFLICT OF INTEREST

Mr. Chairman: Now we have the conflict of interest guidelines. We have had this near our agenda for some time and we are just putting it in front of your face again to remind you that it is there and that it will continue to be on our agenda. I take it that, like simultaneous translation, you will want a subsequent report?

Mrs. Marland: Right.

MEMBER IDENTIFICATION BOOKLET

Mr. Chairman: It has been suggested that we publish a booklet with photographs of the members, their names, ridings, political affiliations and such things. This has been done in Quebec and several other jurisdictions for people appearing before committees or guests in the legislative chambers. It is just an information idea. Do you want us to proceed with that notion? Is that reasonable?

Mr. Treleaven: Yes, and with slight comments underneath such as "has statue of cow in his riding," and important biographical information.

DRAFT REPORT, ELEVENTH REVIEW OF AGENCIES, BOARDS AND COMMISSIONS

Mr. Chairman: The draft report of the agencies, boards and commission, unless you are prepared to accept it as is, seems to be something we will have to set over until next week.

Mr. Treleaven: The membership of the committee has somewhat dissolved and it might be better to leave that until next week.

Mrs. Marland: Especially since I might get something through.

Mr. Chairman: Let me just go through one other item with you. You have the synopsis of the report on rules and procedure. If you have any comments, we would appreciate hearing them before we print up a bunch of these.

Basically this is something that, for example, when you go to your caucuses to discuss the report, might be of some use to you and such people as the media.

We are working along the idea that the report will be tabled on November 18, which is the first Monday back, and that we will proceed on the committee's suggestions of having a press conference during that day and seek to make arrangements with the House leaders so that we can do so. As we finalize these arrangements, we will try to keep you more informed because the idea is that the entire committee, as with the report on televising proceedings, will be part of the press conference to announce the report.

Mrs. Marland: So you are going to advise us when the press conference is?

Mr. Chairman: Is that in agreement?

Mrs. Marland: That is fine.

Mr. Morin: Is there a chance to have the highlights a couple of days before?

Mr. Chairman: Yes.

Mr. Morin: Do you already have them?

Mr. Chairman: Yes, we do. They are in circulation.

Clerk of the Committee: We are sending them to the translation services.

Mr. Chairman: So you should have that.

I am assuming the committee does not want to meet next Thursday during the recess.

Mrs. Marland: Not really.

Mr. Chairman: The next time I will see you, if all things are normal, and we will confirm this with you, is on November 18 at a press conference. Then at the next meeting of the committee we will be dealing with the selection of agencies and the review of the draft report on agencies.

The committee adjourned at 12:09 p.m.

ERRATA

<u>No.</u>	<u>Page</u>	<u>Line</u>	<u>Should read:</u>
P-21	P-7	25	would be a new section, 36a, and it would read, "No
P-21	P-10	15	entitled 36a: "That the standing orders be amended by adding the
P-21	P-14	16	Bossy, Marland, Martel, McCaffrey, Morin, Newman, Warner.

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STANDING COMMITTEE ON PROCEDURAL AFFAIRS AND AGENCIES, BOARDS
AND COMMISSIONS

PREMATURE DISCLOSURE OF COMMITTEE REPORT
AGENCY REVIEW

THURSDAY, NOVEMBER 21, 1985



STANDING COMMITTEE ON PROCEDURAL AFFAIRS AND AGENCIES,
BOARDS AND COMMISSIONS

CHAIRMAN: Breagh, M. J. (Oshawa NDP)
VICE-CHAIRMAN: Mancini, R. (Essex South L)
Bossy, M. L. (Chatham-Kent L)
Marland, M. (Mississauga South PC)
Martel, E. W. (Sudbury East NDP)
McCaffrey, R. B. (Armourdale PC)
Morin, G. E., (Carleton East L)
Newman, B. (Windsor-Walkerville L)
Sterling, N. W. (Carleton-Grenville PC)
Treleaven, R. L., (Oxford PC)
Warner, D. W. (Scarborough-Ellesmere NDP)

Clerk: Forsyth, S.
Assistant Clerk: Decker, T.

Staff:
Eichmanis, J., Research Officer, Legislative Research Service

LEGISLATIVE ASSEMBLY OF ONTARIO

STANDING COMMITTEE ON PROCEDURAL AFFAIRS

Thursday, November 21, 1985

The committee met at 10:07 a.m. in room 228.

PREMATURE DISCLOSURE OF COMMITTEE REPORT

Mr. Chairman: We have had a matter referred to us concerning premature disclosure of the interim report of the select committee on economic affairs. Essentially, we have to make some decisions as to how to proceed with it. My guess is that it would be appropriate to invite the chairman of the committee.

Mr. Treleaven: Can you give us the background?

Mr. Chairman: A complaint was raised in the Legislature by the member for Sault Ste. Marie (Mr. Morin-Strom) that the report of the select committee on economic affairs had been leaked to a newspaper prior to being tabled in the Legislature. The Speaker took note of it and the House moved a motion referring the matter to the committee. It is here by means of a motion of the House. We have to deal with it. I suggest we invite the chairman, the clerk of the committee and the member who raised the matter to appear before the committee and hear what they have to say.

Mr. Treleaven: Do we know whether it appeared in a newspaper?

Mr. Chairman: Yes. We know that it did appear.

Mr. Treleaven: It was in a newspaper prior to being tabled.

Mr. Chairman: Yes.

Mr. Treleaven: Okay.

Mr. Chairman: Do you have any suggestions as to how to proceed?

Mr. Martel: Frankly, I am not sure about the value of proceeding at all unless we are going to start a witch hunt. It is absolutely ridiculous in my opinion to bring the chairman and clerk forward and talk to them. There are how many members of that committee, each having the report in his possession--unless they did not have the report. How many members had reports?

Mr. Eichmanis: There were three reports.

Mr. Martel: Were there only three reports? Who had those reports?

Mr. Eichmanis: The clerk, the researcher and the chairman, as far as I know.

Mr. Treleaven: That would be three copies of the final report.

Mr. Chairman: Excuse me, but this is a little premature.

Mr. Martel: I am leading to something.

Mr. Chairman: What you are leading to is that we do not have a choice in this matter.

Mr. Martel: We have a choice as to how we respond to the House. Unless one is going to start a witch hunt, one has no way of knowing who it was who leaked. Over the years I have been here reports done in camera were leaked to the press ahead of time. All of us have been exposed to situations where press people want a copy of a report ahead of time and invariably someone gives a copy to the press. To try to track down that someone is going to be impossible. No one is going to admit he gave a copy of the material to the press.

All we can say is that we would hope the members of this Legislature would have the integrity to hold it until such time as the chairman presents it. Otherwise, we are going to have to conduct a witch hunt. I do not think any of us is prepared or equipped to do that.

Mr. Chairman: That may be the case, but I want to point out that the Speaker has ruled the member's privileges were abused. A motion was moved by Mr. Morin-Strom that it be sent to this committee and that motion was agreed to by the Legislature without dissent. We have an obligation to do something. A unanimous motion of the Legislature is something to which we must pay a little attention.

Mr. Treleaven: I have two thoughts. First, in this case you say there were three copies of the final report.

Mr. Chairman: That may be so. I have no knowledge of that.

Mr. Treleaven: We all know that in coming to a final report we had two, three or four drafts and probably a dozen copies of each of those drafts were floating around. Everybody knows that when we get near the final draft, except for the odd crossing of a T and changing "the" to "a," it is virtually the final report. It might not have anything to do with the final report. It might be an old draft that got left on a desk or bounced around.

Mr. Chairman: That may be true.

Mr. Treleaven: Second, with respect to this being referred to us, it was simply a reference to--

Mr. Chairman: No. You have with your agenda the Hansard

for the day. The Hansard includes two things: First, a clear ruling by the Speaker that the member's privileges were abused, and second a motion that was moved by Mr. Morin-Strom that it be referred to this committee. The motion was agreed to.

Mr. Treleaven: Yes, but it is a reference to this committee.

Mr. Chairman: No, it is not a reference. It is a motion of the Legislature.

Mr. Treleaven: Fine. It is a motion that it be referred here. It did not give us specific instructions about what to do with it, except to look into it.

Mr. Chairman: That is right.

Mr. Treleaven: Okay. We had the same situation about a year and a half ago or a year ago, whatever the committee was. Mr. Kolyn was the chairman and through inadvertence--if you will recall, Mr. Kolyn apologized in the Legislature for it having been leaked ahead of time. We looked into it carefully. I want to remind all the members, including the new members, that we looked at it.

Mr. Chairman: You did a report on it.

Mr. Treleaven: We did a report on it and we in essence ended up with a bottom line in that report saying, as the member for Sudbury East (Mr. Martel) has said, that it is up to the integrity of the members not to leak. The rules are supposed to be one, two, three, four. We cannot control them beyond that.

Mr. Chairman, I sense that perhaps there was a thought in your mind that this was a new federal case. I want to point out that we tried very exhaustively to deal with it a year or a year and a half ago and we ended up being a little frustrated and unable to deal with it beyond the integrity of the members, period.

Mr. Chairman: I am in general agreement with what both speakers have had to say but they are not helping me. I have a motion from the House that tells us to deal with the matter. What are we going to do? My suggestion is we that we invite the chairman, the clerk and the member who raised the point of privilege to come here and air their points of view. I suggest that Mr. Martel is quite right. I do not think we want to hire a private eye and skulk around the corridors for the next year, but we have to hear it.

Mr. Treleaven: You are saying we have to get the facts as far as we know them on record.

Mr. Chairman: That would be a useful start.

Mr. Treleaven: That is number one. After that we can decide where to go from there, if anywhere.

Mr. Chairman: Yes.

Mr. Martel: We pursued this problem from 1971 to 1975. We did 22 reports at the select committee on economic and cultural nationalism. I was a member of that committee. On more than one occasion, a report was leaked. You have no control unless you muzzle people. Even then they can always give a copy away somehow.

Mr. Chairman: Let me put it this way: Does anyone object to inviting those people to let them say their piece?

Mr. Martel: No, I do not have any objections.

Mr. Chairman: For now, an invitation will go to the chairman of the committee and the member who raised the matter, Mr. Morin-Strom. We would invite the clerk and anybody else the chairman wants to appear before the committee to state their points of view. That is where the matter will reside for now.

AGENCY REVIEW

The second item on the agenda is to select some agencies, boards and commissions to be reviewed in February. Before we start this process, I want to caution or remind you that we encountered some difficulties in taking on a lot of agencies in a short period of time. With that in mind, if you have any suggestions as to agencies you would like to review, perhaps I could hear from the members. Are there any preferences?

Mr. Treleaven: How about the fox damage review board? I am strong for that.

Mr. Morin: Which one is that?

Mr. Treleaven: We dealt with the Wolf Damage Review Board. I want the fox damage review board next.

Mr. Chairman: Foxes apparently have not caused a great deal of damage.

Mr. Treleaven: I will lead off. I have some to throw on the table. I presume we are going to hear various choices from the members. We can get 20 or 30 as a short list and chop them down from there.

Mr. Chairman: Let me make a proposal that I am sure you will find attractive. We could take note of everybody's suggestions for review today so that we get a lengthy list of 15 or 20. Then we hand the list to Mr. Eichmanis who will come back to us subsequently and give us a little advice as to whether one is a big agency that would take a long time to review or is one that might be reviewed in half a day or so. Would that be a reasonable way to proceed? We could get a preliminary list today and perhaps at next week's meeting we would be able to go to a short list. You had some suggestions.

Mr. Treleaven: Yes. There is the Beginning Farmer

Assistance Program Review Committee. Is that the appeal board for BFAP?

Mr. Chairman: I would like Mr. Eichmanis to be able to answer all these questions. Your first suggestion is the Beginning Farmer Assistance Program Review Committee.

Mr. Treleaven: Call it the BFAP review committee.

Mr. Chairman: Is there anything else?

Mr. Treleaven: Yes. There is the Statutory Powers Procedure Rules Committee. It is a statutory review for the Statutory Powers Procedure Act. We keep bouncing it around as to appeals and what people's rights should be and so on when there is a statutory power, i.e., the government. We all use the term but I am not sure we all know what it is and I would like to know more about it.

Mr. Chairman: Those are two suggestions.

Mr. Treleaven: The third is the Farm Pollution Advisory Committee.

Mr. Chairman: We did that one.

Mr. Treleaven: Did we? There is the Workers' Compensation Board.

Mr. Eichmanis: That has been done by the standing committee on resources revelopment.

Mr. Chairman: We could leave it on the list for now and see whether we want to chop it next time.

Mr. Treleaven: I am becoming more like the member for Sudbury East. I am getting more and more frustrated with the WCB.

10:20 a.m.

Mr. Chairman: Some of you are slow learners.

Mr. Treleaven: Perhaps I have learned for five years. I have heard Mr. Martel nattering about it and he finally got through. It took him five years to really make the point but that is it for me.

Mr. Martel: Interestingly enough, I was reading some of the stuff from the Minister of Agriculture and Food (Mr. Riddell) this morning and you have just finished reviewing the one I wanted to get at. I am not happy with what is happening to a number of farmers across the province in regard to drainage.

When they want to cut across somebody's property and an individual is not farming it or is a pensioner and gets an assessment, he does not have the money and does not need the drainage. I am not saying drainage should not go

in, but how do you tax them at a certain percentage when they are not even involved?

Mr. Chairman: Are you suggesting we review the Tile Drainage Review Board ?

Mr. Martel: I think you have done that. The other thing I want to raise is that when the engineer does a soil test and half the guy's farm disappears, nobody is held responsible and the guy is wiped out. I have nine of those cases on my desk now.

Mr. Chairman: Do you want to review it again?

Mr. Martel: I do not know. I was supposed to meet with Riddell.

Mr. Chairman: Let us put it on the list.

Mr. Treleaven: Yes. I have a bad one on my desk now where the report came in figured at so many dollars and then the project came in at 185 per cent of the original report.

Mr. Chairman: All right; you want it on the list. Are there any others you want?

Mr. Martel: We might look at the Advisory Council on Occupational Health and Safety in the Ministry of Labour. It is writing a lot of nice reports but I do not know what impact it has.

Mr. Chairman: Okay. Are there any others? Mr. Warner has one.

Mr. Warner: The Urban Transportation Development Corp.

Mr. Chairman: Since it does not seem to be happening, one I think you might want to consider is the Ontario Human Rights Commission, which we just finished with. I think most of us were in agreement that we were not able to spend enough time on it. If you want, we could continue the review. I think one of the suggestions we will deal with is that some committee of the Legislature do a further review of it. It would be possible for us to pick that up and continue.

Mr. Newman: We could also include moving the commission to a place that is more readily accessible, rather than into a marble palace.

Mr. Chairman: I have only seven on the list so far.

Mr. Treleaven: That is probably because we have only half the committee here.

Mr. Chairman: I will tell you what we will do. We will use that list of seven as our starting list. If individual members have other thoughts about other agencies they would like to review, would they contact Mr. Eichmanis? We will put them on the list and he will have a quick look at them. You will probably then have 10 or 15 agencies in front of you from which you can choose

the ones we will actually review. We will try to do that as quickly as possible.

Mr. Warner: The police want to disband the Police Complaints Board that operates in Metro Toronto.

Mr. Chairman: Does anyone have any other suggestions? Subsequently, Mr. Eichmanis will give you a thumbnail sketch of the size and scope of your activity and perhaps some suggestions as to whether we want to have public hearings.

Mr. Treleaven: Having read the paper in the past few days, do you really feel comfortable with our review of the Canadian National Exhibition Association?

Mr. Chairman: We have not finished that report yet. That is another one we could pick up and do a bit more on.

Mr. Treleaven: I said before that I felt all of us were inadequate in trying to handle such things as the Metropolitan Toronto Convention Centre and the CNE in one day; bang, bang. Seeing the subsequent newspaper articles, dancing around the edges made me uncomfortable. Perhaps those things were there and we did not ask the right questions or did not have enough time to ask the right questions.

Mr. Chairman: We will put it on the list. We now have a list of nine.

Mr. Eichmanis: Were you looking at a list when you were--

Mr. Warner: Under the Attorney General it says Police Complaints Board and it says page 12. I have not looked at page 12.

Mr. Chairman: The next item of business is to continue with consideration of the 11th report on agencies, boards and commissions. I do not think we will need Hansard for the rest of the morning.

The committee continued in camera at 10:26 a.m.

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STANDING COMMITTEE ON PROCEDURAL AFFAIRS AND AGENCIES, BOARDS
AND COMMISSIONS

PREMATURE DISCLOSURE OF COMMITTEE REPORT
PREMATURE RELEASE OF CONFIDENTIAL MATERIAL

THURSDAY, DECEMBER 5, 1985



STANDING COMMITTEE ON PROCEDURAL AFFAIRS AND AGENCIES,
BOARDS AND COMMISSIONS

CHAIRMAN: Breaugh, M. J. (Oshawa NDP)
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Marland, M. (Mississauga South PC)
Martel, E. W. (Sudbury East NDP)
McCaffrey, R. B. (Armourdale PC)
Morin, G. E., (Carleton East L)
Newman, B. (Windsor-Walkerville L)
Sterling, N. W. (Carleton-Grenville PC)
Treleaven, R. L., (Oxford PC)
Warner, D. W. (Scarborough-Ellesmere NDP)

Also taking part:
Ashe, G. L. (Durham West PC)
Cooke, D. R. (Kitchener L)
Morin-Strom, K. (Sault Ste. Marie NDP)

Clerk: Forsyth, S.
Assistant Clerk: Decker, T.

Staff:
Eichmanis, J., Research Officer, Legislative Research Service

From the Office of the Assembly:
Arnott, D., Clerk, Select Committee on Economic Affairs
Carrozza, F., Clerk, Select Committee on Energy

LEGISLATIVE ASSEMBLY OF ONTARIO

STANDING COMMITTEE ON PROCEDURAL AFFAIRS AND
AGENCIES, BOARDS AND COMMISSIONS

Thursday, December 5, 1985

The committee met at 10:08 a.m. in room 228.

PREMATURE DISCLOSURE OF COMMITTEE REPORT
(continued)

Mr. Chairman: We are now ready to proceed.

We have two items, both on the premature disclosure of reports. The first one is the disclosure of the report of the select committee on economic affairs. We have asked Mr. Morin-Strom to appear, as well as Mr. Cooke, who is the chairman of the committee, and Doug Arnott, who is the clerk of the committee.

If it is acceptable, what I would like to do as quickly as possible is hear from the people who are involved in both cases. I anticipate the committee will not need a lengthy report, but it may be able to make some brief comments at the end of the morning.

We have published a report on standing orders and procedure, no. 3, which deals with the preparation of reports from committee, how they might be presented to the House and alternatives to tabling the document. It also deals with premature disclosure.

We will start with Mr. Morin-Strom since it is technically his point of privilege that is before the committee, and invite him to make any remarks he cares to make to the committee.

Mr. Morin-Strom: The point of privilege was raised on the basis of an article that appeared on the front page of the Toronto Star on November 7, the date the select committee on economic affairs was to release its report. In fact, the committee did release the report later that day.

I believe all members have received copies of the article, which says quite clearly that the report, "a copy of which was obtained by the Star," was obtained in advance. The article quotes quite extensively from the report, including a number of its recommendations. It also includes some of the body of the report in terms of the preamble. I have checked out the wording, and it is word for word in a number of cases.

My understanding was that this report was developed in camera and should not have been released in advance. It is probably very difficult to prevent the release of comments on what is going on--perhaps the thrust of the report would be impossible to trace--but in this case we have direct quotes that can only come from limited sources.

Particularly disturbing to me was the inclusion of quotes

from the body of the report, which had very limited circulation, even among the regular committee members who dealt in camera. While we had developed the recommendations over a period of time and there were a number of drafts of the recommendations that were available to the individual members, the body of the report was only discussed at the last two meetings of the committee.

In both cases the body of the report, which includes a preamble to a number of the recommendations, was delivered to the committee members in committee and returned to the clerk afterwards. So to my knowledge, no versions of even the draft of this report should have been available to the general members of the committee. I certainly did not have access to some of the quotes in the Star article. That is the situation.

Mr. Chairman: Mr. Cooke, would you like to make a statement?

Mr. D. R. Cooke: Yes. First, I would like to indicate that the committee sessions were very long and vigorous from the middle of July. By the time it finished its hearings in late September, the committee as a whole was certainly working well and its esprit de corps was extremely good. I hope this hearing in no way fosters any problems in that regard because I am anxious that the committee continues to work well in the future.

The committee commenced in camera hearings on September 30, and I have some documents that can be distributed. One is a chronology of our hearings. The second is a motion that was presented by Mr. Morin-Strom on October 23, to which I will refer.

The committee started its hearings in camera. If my recollection serves me correctly, on September 30 a researcher from the New Democratic Party was in attendance. Some discussion took place either then or possibly later--Mr. Arnott says his recollection is October 1--and it was agreed that researchers could attend from other parties.

There was certainly some discussion at that time about the fact that the activity was taking place in camera, the reason for it being in camera and the value of it being in camera. The discussions on October 1 occurred in camera, as well as those on October 7, 8, 9, 10 and 23. As you will see from that chronology, draft reports were prepared on each of those days.

These drafts were made available to all committee members. I am not suggesting one of them was the draft the Toronto Star received. As Mr. Morin-Strom has indicated, the document they apparently had in their possession would have been, at the very least, draft 5 or 6. It could conceivably have been a draft they obtained on October 23 or a draft they obtained on October 29. In fact, they say they actually got a copy of the report.

On October 23, you will see by the minutes that Mr. Morin-Strom moved that the committee no longer meet in camera. Discussion took place at that time and a vote took place. I believe the motion was defeated by a vote of five to two, the two members voting in favour of opening it being Mr. Morin-Strom and Mr. Mackenzie, the NDP members of the committee.

I raise that point because, while the Speaker has found a prima facie breach of privilege, I am wondering whether Mr. Morin-Strom's privileges have been breached in view of his own view of the circumstances and his own desire to have the committee proceedings in public.

There was a lot of public interest in the deliberations of the committee. I have here an article that appeared in the Globe and Mail on October 15, in the middle of our deliberations. I have copies of that available for distribution. Several committee members, Messrs. McFadden, McGuigan, Cordiano and Mackenzie, are all quoted as talking about the deliberations. There is a quote in there from me but it was actually taken from an earlier quote that appeared in the Globe and Mail and was inserted into the article.

Subsequent to that--I should have given this to the clerk at the same time; I am sorry, Mr. Forsyth--there was an article by Alan Christie in the Toronto Star quoting sources at Queen's Park. That was on October 18, and it also talked about what we were talking about in camera. That may well have been the reason for Mr. Morin-Strom raising the issue on October 23 of whether the committee as a whole should go public.

The committee voted not to go public and we drafted a report on October 23 which included a number of the preliminary comments that are concerning Mr. Morin-Strom. They were further refined on October 29. A precaution was taken on October 23 in that all committee members at the conclusion of their deliberations were asked to turn in their drafts of the reports. All of them did. The only people who had drafts after that were Mr. Arnott and me, and I presume Mr. Traficante, our researcher. I know he kept his own draft as well.

10:20 a.m.

On October 29, drafts were distributed and we had a hearing. This does not prohibit a member of the committee from exiting, and I cannot say whether a member of the committee might have exited during the course of either October 23 or October 29 and photostated the material. It could all be photostated in five minutes, or certainly over a lunch hour, without any difficulty. In any event, they all turned in their drafts on both dates.

On October 29, I did not have a draft, but I was given a draft shortly thereafter by Mr. Traficante. Mr. Arnott assures me that the interim report was delivered to the printers with admonitions to the printers that this was a serious document, that it was to be tabled in the House and that the printer should take all precautions.

He was assured by the printers that they do take all precautions, including watching their garbage and the things that bother printers and have been embarrassing in times past. He also passed the same information around the clerk's office. He assures me that is the case, and I know him to be a man of genuine integrity and honour.

Similarly, while Mr. Traficante had a copy, he assures me he

did not discuss his copy or show it to anyone else, other than was necessary, I suppose, for typing purposes, etc., within the legislative research office. I take him at his word as well.

The material was taken to the printers on November 5. The actual document, as we see it here, which is what the Star says it has, I did not see until the morning of November 7.

I would also point out that although other discussions had occurred in the press, the actual article that the Speaker has referred to this committee speaks solely to the content of the report and nothing else. It was published about nine o'clock or 10 o'clock in the morning or whenever the Toronto Star comes out. It may be published a few hours before that, but that is when it is generally available. I tabled the report at about 3:30 p.m.

The only advantage I can see that has occurred to any person is an advantage that the Star obtained over other media. I do not know that it has been a detriment, particularly to the work of the committee or to the debate about free trade in any respect.

Mr. Chairman: Mr. Arnott, do you have any other information you think we should have?

Mr. Mancini: To explain this whole mess.

Mr. Arnott: To explain the whole mess? No, I cannot do that. I can only repeat what the chairman said. From October 1 to October 10, the summary of issues and then drafts 1 to 4 were retained by committee members. Draft 5 was collected, and every copy was returned to me, except for one copy retained by the chairman and one copy retained by the researcher. Draft 6 was collected and retained by the researcher, except for one copy retained by me and one copy given shortly thereafter to the chairman who was not present that day at the subcommittee meeting.

Mr. Chairman: I will ask the obvious question and I am sure other members will have questions. No one has any immediate clear knowledge of who prematurely disclosed the report. I have not heard anybody say that. Is that right?

Mr. D. R. Cooke: I was nonplussed and concerned when I saw it in the paper. I have questioned people and any one of many could be suspect. I am quite certain that this committee will not be able to come to any definitive conclusion, unless you are much better investigators than I am.

Mr. Morin-Strom: I would like to make a couple of comments on the issue of the motion I made to open up the discussion of the report to be public rather than in camera. In my mind, this buttresses my case. The committee made a poor decision to keep it in camera. My feeling at that point had been that it would be to the advantage of everyone, including the press, to have the complete picture of the background of the various deliberations and decisions that were being made.

Given that this was not going to take place and that it was going to be in camera, my feeling was that we were obligated to

wait until the report came out before releasing any portion of it to the press. It is apparent to me that someone took advantage of the situation to get a premature release to the press. I believe it was to the disadvantage of Mr. Mackenzie and me, who were releasing the dissent. There are no quotes whatsoever from the dissent. There is a passing reference to the fact that a dissent would be issued with the report, virtually suggesting that the dissent had not been released.

The only article on this report that received coverage dealt with the body of the report. As a result, the following day the coverage was buried in the papers, including any coverage of our position on the report.

On the issue of the drafts as well, as has been indicated, drafts 5 and 6 were collected afterwards each time. I could have the clerk distribute copies of the references that are direct quotes from the report itself. There are page references to various portions of the Toronto Star article and what page they came from. Some of the references indicate recommendation numbers, and those had been available in the previous drafts, which any member could have had. That could have come from any member.

Those quotes on this first page of the two I have given out are from pages 19 and 20; then on the following page there are two quotes from page 19, another from page 5 and another from page 7. Those appeared only in the drafts that were collected after the final two meetings by the clerk or the researcher and, in my view, there is not a large number of sources of potential leaks in this case. It appears to me that the only sources of leaks would have to be the chairman, the clerk or the researcher. I am not aware of anyone else receiving copies of those versions that would be the source of those direct quotes. The printer obviously is the other source involved.

Mr. D. R. Cooke: I want to respond to the first point Mr. Morin-Strom made. I had not thought of it, frankly, but I accept that there might be some problem. The media work in mystical ways. It might be that the media would have given much more credence to the New Democratic Party dissent if they had had it, and maybe they did not have it, so I accept everything he says in that regard. Earlier I had said that the only conceivable advantage was what the Star had over other media.

10:30 a.m.

Mr. Warner: I have just one point and a question. In case anyone is interested in second-guessing the Speaker's ruling about whether this is a legitimate point of privilege, once a vote is taken in a committee with respect to meetings being held in camera, and if the committee agrees that the meetings will be held in camera, all members are bound to that. So even should you vote against holding meetings in camera, once a vote has been taken, you are bound by that decision. Therefore, anything that happens after that is a breach of your privilege. That applies equally to all members of a committee.

Something is a bit unclear in the chronology you have so kindly provided. Am I to understand that each of these drafts was discussed in the committee room in camera and the drafts themselves were left behind?

Mr. D. R. Cooke: No. In the first four cases committee members took the drafts with them. However, as Mr. Morin-Strom has indicated, it is obvious the Star obtained something that was from either October 23 or later. It was either draft 5 or 6 or the final report.

Mr. Warner: Because of the wording differences?

Mr. D. R. Cooke: Yes, and because of preambles that had been written into resolutions. We spent most of our time, frankly, on the resolutions. Mr. Traficante, our researcher, was taking notes on the debate, and then he fleshed out the resolutions with preamble material that has appeared in the paper.

Mr. Warner: So drafts 5 and 6 varied considerably from the first four with respect to the wording--

Mr. Morin-Strom: The first four included only the recommendations, which were a total of only two pages at the end. All we could determine in detail was the word-for-word recommendations in drafts 1 to 4. All the preamble, the massive body of it, appeared only in drafts 5 and 6.

Mr. Warner: So you are convinced that the Star article is based on either draft 5 or draft 6 and could not in any way be based on any of the previous four drafts.

Mr. Morin-Strom: There are more than seven paragraphs of quotes here, the ones where I indicate page numbers. They come from the body, which was not part of the recommendations.

Mr. Warner: Okay. In other words, they could not have been lifted from an earlier draft.

Mr. Morin-Strom: Not from one of the earlier ones.

Mr. Warner: At that stage, drafts 5 and 6, members did not take their copies out of the room. Is that correct?

Mr. D. R. Cooke: They were not supposed to and they all turned them in at the end of the day. As I say, I cannot vouch for anyone wandering out during lunch hour or going to the washroom and so forth.

Mr. Mancini: I would like to make just a couple of points. The first concerns the minority report. My experience has been that minority reports, other than the minority report issued in regard to the workers' compensation work that we had done, do not necessarily receive a lot of attention.

I can understand your frustration in having prepared a minority report. You had put great effort and work into it, and then you were not really given credit for the job you had done.

That has been highlighted, if not in the media, at least quite a bit in the Legislature since the whole matter came to light.

I am quite concerned that we would target any individual or individuals as potential leaks unless we have a great amount of evidence in that area. If reports were given out and if members and other people had access to them for the complete day and turned them in at the end of the day, there is the great possibility that a report could have been taken out of the room during the day.

How it handles its report might be a matter for the committee to deal with the next time it meets. We assume that every member is an honourable member. We also assume when we suggest that reports be kept in confidence that every honourable member will do that. We have dealt with this matter of our reports getting into the hands of the media on occasions before, really without much success.

I basically concluded after a number of these that if we are work in a functional and co-operative way, we have to continue to assume that every member is an honourable member. Unless there is a great deal of specific evidence that the clerk, the researcher or, indeed, the chairman--which I really cannot believe--would in any way breach the promise that was made in the committee, the allegation is, in my view, completely unfounded.

As a member who has served on this committee for a number of years, I am anxious to get to the solution of this particular problem. We will deal with another one today after we finish your case.

We have spent many hours talking about this in our committee in the past and, in my view, we are just going to have to wait before we can make a decision on what direction we want to go, to see whether we can get more evidence.

Mr. D. R. Cooke: I do not want to mislead the committee. While it could have happened that someone took the report out and photostated it in that period of time, the Star did not publish it until November 7, and I know that committee members were getting a lot of pressure from the media, including the Star, for information in the interim period of time. I just put that fact out for your consideration.

Mr. Treleaven: Just to the three witnesses, when the chairman asked his original question about whether you had any suspicions, Mr. Cooke was the only one who responded to that on the record. Was that an accident? Did the other two speak in too low a voice, in a whisper, or was it something you would rather not answer?

Mr. D. R. Cooke: I was not asked about suspicions. I think I was asked, "Do you know who did it?" I have gone through a lot of suspicions.

Mr. Treleaven: I think your answer was no.

Mr. D. R. Cooke: My answer is no, I do not know who did it.

Mr. Treleaven: I did not hear from Mr. Morin-Strom in answer to that question.

Mr. Morin-Strom: Who I think did it?

Mr. Treleaven: Yes.

Mr. Morin-Strom: I cannot really--

Mr. Treleaven: Do you know who did it? Do you have suspicions?

Mr. Morin-Strom: No, I do not know. It is rather a limited distribution on this thing and it had to come from some source out of that distribution or there was a leak from that limited list. I mentioned three who I am aware had versions of it: the chairman, the clerk and the researcher.

Mr. Treleaven: But you have no particular--

Mr. Morin-Strom: I have no particular knowledge. I have some understanding that several other people may have seen at least copies of it in the last couple of days before the distribution.

I believe I had a conversation with the chairman the day before in which he asked me whether I wanted a copy to review in advance because we planned to have a press conference immediately after the delivery of it at which the chairman was present, I was present representing our party and Mr. McFadden represented the Conservative Party. I understand that Mr. McFadden was provided with a copy the day before--

Mr. D. R. Cooke: That is correct.

10:40 a.m.

Mr. Morin-Strom: --to have available so he would be prepared for the press conference. I did not accept that offer; I did not take a copy, so I did not have a copy. Presumably, Mr. McFadden received a copy. There may have been other people behind the scenes who received copies, too. I do not know.

Mr. D. R. Cooke: My recollection is that Mr. McFadden, Mr. Morin-Strom and I were to be involved in a press conference that afternoon after the tabling. First, all committee members were informed that they would receive a copy at the opening of the House; that is before tabling. There were copies in sealed envelopes on all their desks at two o'clock that day.

Second, Mr. McFadden requested a copy in order to prepare for the press conference, and I indicated that I would provide one to him and one also to Mr. Morin-Strom. My office gave Mr. McFadden his copy on November 6, and I was prepared to give Mr. Morin-Strom his as well.

I understand that Mr. Morin-Strom asked a member of my staff at about nine o'clock on November 7 whether he could have a copy. This was before we had seen the Star. When I called him later in the morning to offer him one, he turned down my invitation.

Mr. Morin-Strom: Partially because I had seen it. It had already been leaked, and I did not want to have any--

Mr. D. R. Cooke: Partially because he had probably seen it in the Star, in any event, and perhaps because he wanted to make sure his hands were clean before he came here. I do not know.

Mr. Treleaven: What about the clerk? Mr. Arnott?

Mr. Arnott: At the time of the question I nodded emphatically. I do not know who released the report. I did not release it to anyone.

Mr. Treleaven: Unlike the politicians, when you nod or shake your head, there is no noise.

Mr. Warner: When politicians nod, it usually means they are falling asleep.

Mr. Cooke made a comment that I found a bit curious. You stated that you felt the effect of the leak was minimal in that, as far as you could determine, the only advantage was that the Toronto Star had a story that nobody else had.

Mr. D. R. Cooke: I said that, but I can accept Mr. Morin-Strom's argument that maybe it gave the majority an advantage over the minority.

Mr. Warner: I leave both those points aside. What concerns me is that the leak is damaging to the work of committees.

Mr. D. R. Cooke: As a general principle, yes.

Mr. Warner: I do not know how many in camera sessions you had for witnesses in your deliberations, but if a general impression is left out there that when committees meet, there is not necessarily a guarantee with the respect to in camera sessions, witnesses may in the future be reluctant to come before committees.

It also potentially damages the work of the committee in that members may start to mistrust one another about their work in the committee. When that happens, when you are dealing with a sensitive issue, as sometimes committees do, committee members may not feel so compelled to co-operate with one another or to work closely with each other. To me, that is far more important than whether the Toronto Star has an advantage over the Globe and Mail or anybody else. That concerns me.

I take it from your remarks that we are unlikely to find out what individual was the cause of this.

Mr. Martel: There is the polygraph.

Mr. Warner: Yes. There are two possibilities: Either this was deliberate or it was inadvertent. Inadvertent disclosure can occur. People are careless with papers or whatever. Is it your considered opinion that it was not inadvertent, Mr. Cooke?

Mr. D. R. Cooke: It could have been either, but it is my opinion that it was not inadvertent in that I strongly accept Mr. Arnott's and Mr. Traficante's comments to me that they made certain nothing was left lying about. Conceivably, it could have been left lying about in my office. I am concerned enough that I think a deliberate situation probably occurred somewhere. However, I agree we are not going to find who it was.

With regard to your earlier comments, I opened my comments to the committee by saying that I sincerely hope this incident does not mar our work as a committee. I concur wholeheartedly with the comment that as a principle it is very serious. I was mentioning to the committee that this example did not seem to have done any particular harm to anyone, except perhaps other media. I now temper that with the comment that perhaps they did not have the dissent and perhaps that would have made a difference; I do not know.

Mr. Martel: I have heard my friend from Essex South (Mr. Mancini) talk about "all honourable gentlemen." Obviously, there is an honourable scoundrel among us, because someone leaked a document. I have never taken that terminology very seriously. It was written 115 years ago when only gentlemen could afford to come to Queen's Park and times have changed.

Mr. Mancini: I think you are a fine gentleman.

Mr. Martel: I have been through this hassle a number of times during the few years I have been here. Unless we are prepared to recommend bringing back the lash or using truth serum or--

Mr. Morin-Strom: The hangman.

Mr. Martel: --the hangman--we continue to pay the hangman--we are going to be exactly where we were, whether it was the select committee on economic and cultural nationalism in 1971, which had nearly all its reports leaked at one time or another, or all the other various reports down through the ages. Unless we are prepared to hire someone, we cannot tell the Legislature much.

The only thing we can perhaps do is draft a letter to our colleagues saying: "My friend, you have undermined the whole process for the sake of a little story in the newspaper. You undermined the work of the committee and you undermined the trust of your colleagues on the committee who work with you. Whoever it is, surely in the final analysis a story for one day is not worth what is done to the whole process."

Beyond that, unless we are prepared to engage in a witchhunt, we are not going to get to it. A letter to our colleagues might carry some weight. There are any number of committees. Unless you are on a particular committee or are

interested in some item in its report, you do not have time to read all the other reports that come in. Most of us do not read them all, or I am alone in that process, because I do not.

We have to draw it to our colleagues' attention. The best way might be a straight personal letter and a report to the Speaker that this is what we intend to do, that we are not about to engage in witchhunts and so on. I recommend we try that process.

Mr. Chairman: Let me try to direct the committee's attention. The Speaker has referred the matter to the committee. The Speaker has found that he believes there is enough indication of a breach of privilege that we should consider it. It is our job to decide whether there was a breach of privilege and to make a recommendation to the House in that regard. That is the first order of business.

Next, the clerk of the committee has put together some background information on what other jurisdictions have done and on what we have done. I am assuming that we would include that information in the report. At the end of the morning, we may want to go a little broader with respect to some guidelines concerning the preparation of reports and the identification of things.

It is fairly clear that members are always free to talk about something that is before a committee, in camera or otherwise. There is nothing we can do or want to do about that. What is unfair to other members is several things relating to this kind of premature disclosure.

10:50 a.m.

It is unfair to other media sources that want to cover a news story to have one source given an advantage by means of early disclosure of a report. It is unfair to the public, the media and other members of the House who do not have the opportunity to sit on all committees and do not know the contents of a report.

Several members have brought up the point that it is a problem of the process. When one agrees to go in camera, one gives up the right to have it put on the record, and one gets an opportunity to argue a little more freely and informally behind closed doors during the preparation of a report. It causes problems subsequently when that kind of agreement is breached.

I imagine it now is not going to be quite as easy as it might previously have been to suggest this committee go in camera to draft a second report. The members will be reluctant because those who do agree to keep the contents of a report secret will place themselves at a bit of a disadvantage; that is a bit of a problem. I suggest that this morning a broader report can be put together rather easily in dealing with the referral.

The first question we have to deal with is whether the committee feels there was a breach of privilege.

Mr. Mancini: I believe that there was a breach of privilege and that the committee should so state.

Mr. Chairman: I see heads nodding all over.

Mr. Warner: We do not require a motion.

Mr. Chairman: I do not think we need that if there is a consensus. The first order of business is that we will say in our report that it is our feeling a breach of privilege occurred. We will include in that report some of the background information the clerk has prepared. It might be practical to take Mr. Martel's idea of informing each member by letter that we consider this to be a rather serious affair.

The one thing we did not do, and perhaps you could assist me a little, was to invite the reporter in question, Alan Christie of the Toronto Star, to attend. We did not do so essentially because we have not traditionally done that. It would be within the powers of the committee to do it. I anticipate that a reporter would say, "I cannot reveal my source" or "I do not know my source." I take it the committee is not interested in pursuing that.

Mr. Mancini: I do not believe we should pursue that avenue.

Mr. Chairman: The other area I would like you to consider, and Mr. Martel put his finger on it, is that we have never shown much of an interest in pursuing this in quite this way; identifying the culprit, so to speak. We have always dealt with it in a formal parliamentary way as to whether there was a breach of privilege and left it at that.

If you were to consider going past that point, you would have to consider why you were doing so and what punitive action you would be prepared to take. That puts it in a rather different perspective. I have no inclination to do that now, but I advocate that in the report we ought to point out to the members that this possibility exists and that depending on future circumstances we may wish to do it.

Mr. Mancini: For us to indicate that in the future we are going to haul in reporters or members of the media I believe would be viewed as an attack on the media. The main problem is not so much the media as who distributes the material to the media. We are not going to get an answer from the reporter. The reporter is going to take the view that the way he or she obtains material is confidential, and that is about the only answer we are going to get. I agree with you in that respect.

Mr. Chairman: To interrupt for a moment, people should be aware there is that potential. I do not believe the members know that and I do not believe the staff is terribly aware of it either, but the potential is there for a committee of the Legislature to get very formal on a matter such as this.

I suggest that all members of the committee under certain circumstances would be chomping at the bit to get very formal. In this case, no major damage appears to have been done to somebody's reputation. I do not think we are even interested in pursuing

that. However, if there were premature disclosure of a committee's report that clearly identified who disclosed it, and major damage was done to the reputation and integrity of a clerk or a researcher and it was easily established such was the case, that person's job would be at risk. If it were clear that a member of the Legislature with some evil forethought, so to speak, released the report--I know it would never happen among this august group but among other less worthy folks--people might get nasty about it and might try to hang out someone's political future.

People should be made aware that the potential is a little more than what we are doing this morning and that a full-fledged witchhunt could occur. I think they should be told about that.

Mr. D. R. Cooke: I concur with what you are saying, Mr. Chairman. I might tell the members of this committee that there was at least one member of my committee, a new member of this Legislature, who seemed to be under a lot of pressure from the press to reveal things. One reason I do not suspect him completely is that the pressure continued even after the Star obviously had it, probably from some other source.

Mr. Warner: I would like us to indicate in our report that there was a breach of privilege, that we were unable to identify the source, why the concerns around the breach of privilege are so important, and that it may be necessary for the House to consider action against any member or members who cause leaks to occur, so that we indicate to the members that we take it seriously.

If it is going to happen again, continue or escalate, the House may well have to take more direct action and go through an elaborate procedure to identify the member and have some punishment.

Mr. Mancini: The only problem I see is when there is circulation to a committee and to others, and there is talk about taking that kind of step. We narrow things down to two, four, five or six people. If we put out the word that we think it is those four, that automatically ruins their reputations.

Mr. Warner: Mr. Mancini, I am saying the House may wish to consider this at some future time if the problem persists. Surely to goodness, if we had the absurd situation that every time a committee sat in camera the material was leaked, then I think most members of this House would get a little excited and want something done. I am saying, let us know in advance.

Mr. Chairman: To be a little more precise, this is not theory we are talking about. I have been a member for 10 years. On more than one occasion, material was presented to members of a committee in camera, in confidence, and it became painfully evident that a member of the committee had released the confidential material to the media.

The knives were out. People read the Legislative Assembly Act and actually read the little oath you sign when you become a

member, where it is clear that you violate your oath of office when you breach the privileges of the House in this way.

If you want to get formal about it, and someone might, when documents of this nature are disclosed prematurely we may be rather lenient about it, but in other circumstances the House is not so lenient. What it comes down to is that you are in breach of your oath of office and are outsky; you are gone.

11 a.m.

It is not always a light matter, or a matter of inconvenience or a matter of giving one media source some advance opportunity to write a news story. On occasion, it can be held to be a breach of your oath of office, which means you are no longer a member of this assembly. I think we have an obligation to point that out.

Mr. Warner: This is just a little reminder to the members, Mr. Mancini; that is all. Maybe they will take the thing a little more seriously.

Mr. Chairman: It now is 11 a.m. We have one other matter to consider this morning. We thank you, gentlemen, for appearing before us this.

We will take a break for a couple of minutes and then we will hear the second matter.

The committee recessed at 11 a.m.

11:04 a.m.

PREMATURE DISCLOSURE OF CONFIDENTIAL MATERIAL

Mr. Chairman: The other item this morning concerns the premature release of the confidential material of the select committee on energy. Appearing before us are Mr. Ashe, vice-chairman of the committee, and Franco Carrozza, clerk of the committee.

To refresh your memories, you have in front of you a copy of the Hansard of the day when the chairman of the committee, Mr. Andrewes, rose on a point of privilege and asked that the matter be dealt with. The Speaker took it under consideration at that time. The following day, Friday, November 29, the Speaker made a ruling that there were reasonable grounds for considering it a matter of privilege and sought and received a motion to refer the matter to the committee. That is what we have in front of us.

We will use the same process as we did before. Mr. Ashe, do you have any remarks you want to make to the committee?

Mr. Ashe: Briefly, I presume you may want to ask the clerk about the normal handling of the reported sector which, I might say even in advance, was quite in order.

It is safe to say the feeling is shared by all members of

the committee, as well as by the chairman and me as vice-chairman, that the "report" referred to was not leaked or handed in a physical way, if you will, to any member of the media, and to this date has not been.

The report was not complete and as of this minute is still not complete. A minority opinion is being prepared by certain members of the committee, so the report is not finalized. Even in terms of the draft report that it then was, we are all convinced that nobody had it in hand. Just reading the news stories would confirm that. I cannot go any further than that.

What apparently happened is that through the diligence of the press, both Tom Claridge of the Globe and Mail here in Toronto and Shaun Herron of the Oshawa Times, they put a lot of things together through questioning members of the committee. I presume the members did not feel they were speaking out of order at all, but the press came up with a couple of stories which are not overly accurate in themselves.

The first one we have to refer to is the story in the Oshawa Times on November 28, which was the day the committee met. Because the Oshawa Times happens to be an afternoon paper while the Globe and Mail is a morning paper, it was on the streets in the Globe before it was on the streets in the Oshawa Times. I understand the reason behind that is Mr. Herron of the Oshawa Times made it a wire service story.

11:10 a.m.

It appears that Mr. Claridge of the Globe and Mail picked it up and questioned a government member of the committee, and from that the three stories came. I say three, because on November 29, the day after the committee's deliberations, there was a follow-up story in the Globe and Mail in which there is the first direct identification of a member of the committee, in this case the member for Durham East (Mr. Cureatz).

It is one of those things where members, feeling they are all experts in dealing with the press, may have given away a little bit more than they should have. Out of this, the diligence of the media came up with three stories. As a matter of fact--I just had a first glimpse of it, because I have not seen today's Globe and Mail--there is another story, which is somewhat accurate without giving any great details, and somewhat inaccurate too, as to the status of the committee's report.

Unless there are some specific questions on the part of members of the committee, that is the whole issue as I see it. Speaking on behalf of the chairman who raised the original point of privilege, he feels as I do. I reiterate that all members of the committee feel there was no substantive content, if you will, of the report, or physical passing of the first draft of the report, which was released intentionally or any other way to the media.

Mr. Chairman: Mr. Carrozza, do you have anything you want to add to that?

Mr. Carrozza: No, Mr. Chairman, not on that point. I would like to clarify the chronology of the report that came into my possession.

At the committee's meeting of October 31, it was agreed the report should come to the members a few days beforehand. I received the report on November 20 in the morning, and I prepared a memorandum for the chairman. May I read it for your information?

The memorandum from the chairman to all the members states: "Attached please find a copy of the committee report. I request that great care be taken to ensure that this report remains confidential. Your co-operation in this matter will be appreciated."

I proceeded to have the report delivered by hand by the messenger service in this building with instructions that the report should be given to the members or their secretaries, but never at any time should it be left on a desk or anywhere else.

The other thing I wish to say is that, on November 28 when we met again, the story was in the paper. That was my first knowledge of the matter.

Mr. Chairman: Just to direct the committee's attention on this one, this is slightly different from the previous question of privilege. In this matter, the privilege is raised by the chairman of a committee. The precise point in question here is not whether documents changed hands. No one has claimed that. I am going to read from the Hansard of the day, and quote the chairman:

"I asked specifically that the material be kept confidential until such time as the committee could meet to review it and reach agreement on the substance of its report." This report, by the way, has not yet been presented to the Legislature. There was no report available to be leaked out. As a matter of fact, to my knowledge, as yet there is not such a report. The chairman of a committee is stating that he circulated certain material and asked members of the committee to keep that confidential. The clerk is indicating that as a matter of fact that was also done in writing.

Mr. Carrozza: Yes.

Mr. Chairman: Here we have a clear case of a request by a committee chairman to keep matters confidential. This was subsequently put in writing and attempts were made by the clerk to ensure that members were presented with confidential information. That seems to be the heart of this question of privilege.

If you review the newspaper stories, I think Mr. Ashe is correct in saying there is some conjecture there. There is an inaccuracy that a draft report was in place when no such document existed and does not yet exist. There is a little bit more than inference in here as well. That is what we are being asked to look at. The fact that it was raised by the chairman of the committee is one item that does concern me, that the chairman and the clerk of the committee made some efforts and attempted to keep matters confidential. In some way that did not happen. Any questions?

Mr. Sterling: Was there agreement by the committee that the documentation should be kept confidential?

Mr. Ashe: Yes. There was no misunderstanding about that at all. All members knew it was confidential; it was to be confidential when we got it. That was confirmed, as indicated by the clerk of the committee, and reconfirmed in writing when they received the first draft of the document. There was no dissent within the committee at the time that issue was discussed.

Mr. Warner: The obvious question is whether Mr. Ashe knows who is responsible for the material having been disclosed.

Mr. Ashe: I want to emphasize, as I did before, that I do not think anything substantive was disclosed. Yes, we definitely know which two people spoke to the press: one government member and one Conservative member. The Conservative member is referred to in the second story in the Oshawa Times.

Mr. Warner: They are both members of the committee?

Mr. Ashe: Yes.

Mr. Warner: Did they not believe they were doing something wrong?

Mr. Ashe: In all sincerity and honesty, I firmly believe they did not think they gave anything to the press. I suppose you could say in a substantive way they did not. But the press can talk to one member and get a little and very definitively make a statement to another member. They put two and two together and created three stories in this case. I do not think it is probably anything worse than that. It has shown to the two members, as well as to all of us, that sometimes even a little said is too much.

Mr. Warner: Has your committee sat since the story?

Mr. Ashe: Yes.

Mr. Warner: What was the reaction of the entire committee to what transpired?

Mr. Ashe: Probably not too different from what I just said. For some members, of course, it was rather disconcerting to read about it in the paper the day the committee was meeting, and it has met subsequently, as I said.

You have to be careful what you say. The government member of the committee has a tendency to be rather outspoken anyway, and he had to be further guided, if you will, on what he could or could not say in any subsequent discussions with the media prior to the filing of the report. I recall he was to appear on Metro Morning the day after the committee's meeting. We advised that probably would not be a wise course of action.

Mr. Warner: This committee has entertained some discussion about possible penalties against members who reveal information that is supposed to be confidential. In your opinion, is that something we should consider here?

Mr. Ashe: In this situation, no, I do not. Albeit both members are not new and should know better in their discussions with the press, I do not think it was at all intentional or premeditated.

I concur that it is something the committee should be looking at as a general policy, which members should become aware of. They may become even more prudent in their earlier discussions with the media. We have all been caught out in saying a line or sentence or a word that, on reading it later, we would prefer not to have said. This is one indication of that, except that it went a little beyond just a word, reference or sentence.

11:20 a.m.

Mr. Chairman: Any other comments?

Mr. Sterling: Could I ask one question of the clerk of the energy committee? I realize from travelling this summer with some of my colleagues, not Conservative members but some of the other party members, how difficult it is for the clerk to rein in the members from time to time on different matters, especially one member in San Francisco one evening.

Mr. Warner: I have no idea what you are talking about. Stop looking at me.

Mr. Sterling: Because you are not clerk of this committee I am asking you this question. I am sure Mr. Ashe will understand. Do you have difficulty in enforcing any set of rules dealing with confidentiality? In other words, is there a point sometimes when an elected representative feels he is being pushed around by the administration of the clerk?

Are the rules definitive enough now in dealing with what is deemed confidential data, or would it help you if they were clearer? Then the chairman could read down the rules and say, "Number one is that you cannot take any documents outside of this room when it is confidential," or whatever set of rules they are. Would that be of assistance to you in your job?

Mr. Carrozza: It is difficult to say, because it is much easier for me to do it. I can keep my own notes.

Mr. Sterling: You are quite big, yes. That is right.

Mr. Chairman: To you, everybody is big.

Mr. Sterling: Not Floyd Laughren.

Mr. Carrozza: It is difficult, because it becomes a question of politics. I have do not have any control over the politics of anything. I can specifically say to the member, "Please leave the reports here," and he will do it, but I have no control if he does not wish to do it.

Mr. Treleaven: This question is to Mr. Ashe. When the matter was brought up in committee after the newspaper articles,

was it brought up by the remainder of the committee to the two members who had, in your words, done a little too much talking? If it was brought up to them, what was their reaction to that?

Mr. Ashe: Unfortunately, only one of the two members was present, so the second member, namely, Mr. Cureatz, got it second hand. He still does not feel he said anything wrong, and I do not think the other member does either. I am not sure they really felt it was a serious matter. I do not know how you can rectify that. It has come up in each of the committee's deliberations.

The issue of confidentiality was emphasized as late as a couple of days ago when the committee met on Tuesday of this week. I did not see anything in yesterday's paper. There are obviously further discussions, because there is some more in today's paper about the status of the report. There is not a great deal in there about content, but there is about why the report has not been tabled, about the dissent that is being written, and that kind of thing.

We all have a perception of the degree of confidentiality. Is it the confidentiality getting down to the specifics, or is it really talking about the item at all? We all have confusion in our minds about that. That may be something this committee could specifically address for the future guidance of all members, even getting away from this issue. We all have that question in our minds from time to time. I have and I do not mind admitting it.

Mr. Treleaven: Mr. Ashe, in your mind, is there any possibility the information in the news media reports could have come from other than committee members or people in the same room when the discussions were held in camera?

Mr. Ashe: In this instance, I can say without any hesitation it was strictly from committee members.

Mr. Chairman: Any other questions?

Mr. Bossy: Just as a point of clarification, it has been determined that at no time was the confidential document you released ever referred to as such. It has been determined that it has been strictly verbal comments made by the members to--

Mr. Chairman: The document certainly was referred to in both the newspaper stories before you, but I do not think there is any question that the document itself did not change hands. At least it is not apparent that pieces of paper moved around to a reporter, but reference was made to a document.

Mr. Ashe has a good point that perhaps some clarification is required as to when it is legitimate to speak. For example, in my personal opinion, it is certainly not a breach of privilege to speak to the status of the preparation of a report. You can say, "We are still working on it," or "We anticipate we would table the report next week." You are not giving away any content; you are talking about how the committee's work schedule is going. Maybe we should consider drawing those lines a little more clearly for reference for members so there is a little less confusion.

I know from personal experience it is not a satisfactory response from a reporter's point of view to say, "I cannot tell you what the committee is considering because that is a matter of privilege or confidence" or something such as that. This particular case is somewhat different from the previous one. No one has said it yet. Am I correct that the other member who was quoted in a newspaper story was the member for Grey-Bruce (Mr. Sargent)?

Mr. Ashe: That is correct.

Mr. Chairman: I would defy anyone in this room with anything less than nuclear weaponry at your disposal to silence him. It is impossible.

Mr. Ashe: I referred to him as a rather outspoken member.

Mr. Chairman: If we had an indication that materials given in confidence were distributed by a member, that would be a slightly different matter than what is here. There is reference to a report, but no quotation from the report, no evidence to indicate anyone other than a member of the committee had the report.

There is some reference to materials. I would point out to you that it would make the work of the committee a little more difficult from here on. For example, if you were in the middle of trying to get a consensus report put together and in the middle of preparing the consensus half the squad goes outside and says, "Nuts to that," your attempts to put together a consensus report would then be a little more awkward. There is that difficulty.

Mr. Ashe: That was exactly the case in this issue and possibly you would be more aware of that than some others. Frankly, I think we were headed in that direction and that killed any opportunity for that kind of a consensus. There is no doubt about that at all.

Mr. Sterling: Each different report has different aspects. It is therefore difficult to draw rules to guide how things could be done. Dealing with Darlington in this case, one major recommendation was going to get press notice. That was 'go ahead' or 'not go ahead'. In my view, not to be overly critical of the chairman or the committee because they did not anticipate the story getting out, but when you have that kind of a report, once you make the decision it probably would have been advisable to then publish it.

When it is focused on one issue and a 'yes' or 'no' answer, it is almost impossible for a member such as the member for Durham East, Mr. Cureatz, who has Darlington in his riding, to not comment on it if the committee has made its decision.

Mr. Ashe: But at that time the committee had not made it. Again, the document is still not finalized. Frankly, the committee's report is finalized other than the addition of a dissent, which is still being authored, as I understand it. That was only finalized Tuesday of this week.

11:30 a.m.

Mr. Carrozza: I was going to make a clarification. Before the committee even thought about the final report, both members stated their personal opinions when interviewed on our trip to Darlington. In my view, the media report reflects their personal opinions when they were asked before our trip, not before the report itself. It was a continuation of their personal beliefs, not the report itself.

Mr. Warner: In a way I take this situation to be more serious than the previous one because, as Mr. Ashe has indicated in his opinion and the opinion of the committee, the stories that appear are not entirely accurate. At least in the other instance where the actual report was leaked, it was accurate, if nothing else. The public was given the exact information.

In this case it could raise doubts or concerns if there are inaccuracies. The headlines certainly do not indicate these are personal opinions being expressed by any individual members. It says, "Darlington will get go-ahead." That is rather definitive. If the committee has not actually reached that conclusion, it is somewhat misleading to the folks in the community, to the people who work there, to anyone who has a concern about that project.

"Complete Darlington plant, draft report by MPPs says." That again is not an accurate statement because you have not actually completed your report. In the one sense maybe it is a bit more serious than the other one.

I fully appreciate what Mr. Ashe says. I, too, have had occasions with the press. I am sure all members have, where one word from you is worth an entire story. It is tough to avoid. On the other hand, unless I misunderstood it, the members involved apparently do not see this as a particularly difficult situation or one about which they should feel embarrassed in any way. It just follows on the heels of what we wound up with in the last session--that when these things occur it does undermine the work of the committee and makes it difficult to reach consensus. It could present misleading information to the general public, which surely is the last thing we want to do.

Mr. Chairman: Mr. Andrewes is expressing some frustration. I am aware that he has had a little trouble in the committee. For example, when they went to visit Darlington, the committee established they would go by themselves; they would not take media people with them. The member for Durham East did a rather neat stunt. He stuck a reporter in the trunk of his car and drove him into the plant. I think it was the same reporter who wrote the story. In a sense a little frustration was building up there.

That might be why Mr. Andrewes went to the trouble to raise the point of privilege. He had had some previous difficulty in the committee with reaching agreement.

Mr. Warner: Maybe we should leave him in the trunk of his car in the parking lot overnight.

Mr. Treleaven: Mr. Carrozza, could you explain again? I did not follow your comments about personal opinion. I did not understand what you were saying. Could you repeat that?

Mr. Carrozza: Concerning the two members?

Mr. Treleaven: You gave a statement a minute or two ago before Mr. Warner spoke. You talked about these members giving personal opinions to the press sometime before. Could you repeat that?

Mr. Carrozza: Yes. On the Bowmanville trip going to Darlington when the press was allowed in for an interview, they personally made statements on their beliefs about Darlington.

Mr. Treleaven: This was before any discussion in committee in camera?

Mr. Carrozza: Yes, it was long before the public meetings.

Mr. Treleaven: Okay. Are those personal opinions taken before any committee discussions or following the committee discussions reflected in the media now?

Mr. Carrozza: My opinion is that the news stories reflect what they said at their first meeting in Darlington.

Mr. Treleaven: And do not reflect what has been stated after the committee hearings?

Mr. Carrozza: I am not going to answer that because that was in camera.

Mr. Chairman: I do not think there is a member of the committee who has not for some time made his views public on a project such as Darlington. This is hardly new.

Mr. Ashe: It is important to clarify the other issue on the record: Out at Darlington, as in other places where any media were present on the tour we did all that one week, I suppose directly or indirectly virtually every member of the committee gave a personal opinion, not just the two members in question. There is no doubt other media were at the Darlington site, including television, which recorded statements by some members who changed their opinions over the basis of the subsequent time frame.

Notwithstanding the chairman's account of how the first press person got on the site, another media group was waiting at the gate. It was well recorded at that time, probably by the majority of the members of the committee, because we all agreed they had to be allowed in under those circumstances, and that was a committee decision. That is exactly what happened.

The clerk just pointed out something I did not mention before. It may be relevant and I should get it on the record. When it was brought up and the committee was discussing this, Mr.

Sargent said, "Well, anything I said had nothing to do with the report because I did not read it yet." Again, for those who know the member, they would probably acknowledge that was truthful.

Mr. Warner: He did not know he said anything wrong, because he has never read the rules.

Mr. Ashe: This would have been on the 28th. As I say, he did not deny he had spoken to the press. That is when he was going to be on Metro Morning the next day, and we cautioned him it would be an unwise idea because there really was nothing he could say. I presume he subsequently did not go on, but I do not know that personally.

Mr. Treleaven: I find a little bit of frustration here. I understand why Franco gave the last answer to my question. But how can we, as a committee looking into this matter, find out whether a leak or an indiscretion occurred--let us call it an indiscretion because that is a nice broader word. How can we find out whether there has been an indiscretion unless we know what is in those articles did flow from and was made subsequent to the committee discussions, or if those comments were made before that time. If they were, and, subsequent to the committee hearings, report comments made beforehand on the first visit to Darlington, we do not have a point of privilege. All we have are committee members giving an opinion anybody is free to give at any time. It did not flow out of any in camera session.

I am a little frustrated in finding out whether there is anything in that. I acknowledge the discussions were in camera, but how are we to deal with this question unless we know that what appeared in the news media did come from the in camera meetings?

Mr. Ashe: I guess you will just have to take my word for it. It was not denied, other than in the context I just put for one of the members, that the discussions followed receipt of the draft report by the committee members. But I agree with the clerk that the views of the two members had not changed since we were there in August or September. Maybe the words were somewhat the same as they would have been, but there was no denying by the members that the particular discussion referred to came about after the distribution of the draft report.

Mr. Sterling: The real problem is when a reporter asks, "Well, Sam, do you think you have convinced the committee"--to make it even worse for Sam--"that Darlington should go ahead?" Sam, in his exuberance, says: "Of course I have. I am sure they are going to come around to see me and it looks good." How do you prevent a guy from saying that?

Mr. Warner: Except that the Globe and Mail story says, "The Oshawa Times quoted an unnamed 'Legislature source' as saying the report will recommend completion of the project, but possibly on a reduced scale." That had to have come out of the in camera material.

11:40 a.m.

Mr. Chairman: That is as close as I can identify any

kind of factual disclosure going on here. The rest of it appears to me to be somebody's opinion, some reporter's good guess, stringing together previous interviews and assuming. That is about as close as I can find to anything which even alludes to being a fact contained in the report.

The first question before the committee is whether you feel there has been, in any sense of the word, a breach of privilege in this instance.

Mr. Warner: Yes.

Mr. Chairman: I hear one.

Mr. Ashe: Mr. Chairman, do you wish us to remain?

Mr. Chairman: You are welcome to stay, unless you have other matters you have to deal with.

Mr. Ashe: We have just left the standing committee on public accounts. Mr. Carrozza is the clerk and I am a member of the committee. We are dealing with the estimates of the Provincial Auditor.

Mr. Chairman: Thank you very much for attending this morning.

Let us have some discussion about whether you feel there has been a breach of privilege. I am going to put it to you in vague words for starters, to see whether it is worth while continuing. Do you feel that in any sense there has been a breach of privilege in this matter?

Mr. Treleaven: Yes, in the widest sense. I would like to start with the concept that there has been some breach.

Mr. Chairman: Do we have a consensus on that?

Mr. Sterling: Before we draw that conclusion, it is obvious who the two people are. Should we not ask these people to clarify whether the Globe and Mail has drawn the right inference? I do not know whether it has. I do not know what Mr. Cureatz said.

Mr. Chairman: If you intend to be specific in offering an opinion on whether the two individual members have somehow abused the privileges of the House, you will want to provide them with the opportunity to appear before the committee.

If, however, the committee is content to suggest that breach of privilege has occurred, but only in the widest sense that we ought to be more careful about how we make statements to the press and things of that nature, I do not know if it is necessary to require their attendance.

If it is your intention to entertain the thought that two individual members should in some way be censured by means of the committee report or some measures taken by the Legislature, then you have an obligation to invite them to appear before the

committee. If that is not your intention and you simply wish to speak to the broader question of members being a little more cautious and drawing the lines a little more clearly, it may not be necessary.

Mr. Treleaven: Mr. Chairman, you did ask me. I believe my friend to my right is jumping the gun a bit. You asked us for an indication of whether there was a breach in the widest sense. My answer is yes, and you are asking for a response to that. If the answer was no, we would pack up our bags and go to our offices.

So, in the widest possible sense, yes. That is the first point we must establish. If the committee's answer is yes, then we can consider what comes next. If the answer is no, we pack it up and go home. I think it is a little premature to consider what Mr. Sterling was talking about.

Mr. Chairman: I will put the next question in front of you then.

There seems to be consensus that, in a larger sense, there has been a breach of privilege. Now we need to get a little more specific about it. The two members, who have now been named before the committee and it is on the record, had some discussions with reporters which may not have been appropriate. I guess that is the way to put it. Is there any sense in the committee that you want to deal with that matter more specifically?

Mr. Treleaven: Yes. Since they have been named by Mr. Ashe, we should afford them the privilege, or maybe the right, to come in and clarify anything they wish for the record.

Mr. Newman: You are right. We should have them come before the committee. We should not take Mr. Ashe's word alone for what has transpired. We have to let them come along.

Mr. Treleaven: Correct.

Mr. Chairman: I sense the committee feels that before we report on this matter to the Legislature, we should invite the two members who have been named to appear before the committee. Is that agreed?

Mr. Sterling: Just before we do that, we are starting down a road that I do not know whether we want to go to the end of. In the Oshawa story, they pinpoint their source as being a government source. That was the story that spawned the story in the Globe and Mail.

Mr. Chairman: When they say government source, I think that means government source in the broadest possible sense of somebody who is somehow connected to the Legislature of Ontario.

I am in agreement that since two members of the House have been named during the course of our discussions this morning, we have an obligation to ask them if they want to attend. If they say no, I will not be terribly offended, but they should have an opportunity to clarify the record.

Mr. Treleaven: If my name had been used in any way--it does not matter whether it was in connection with this or any other subject--in a committee, I would certainly expect the right to come forward and give my views on the subject.

Mr. Warner: In fact, if I was not invited--

Mr. Treleaven: I would be darned mad.

Mr. Warner: --and the report was tabled in the House, I would raise it as a point of privilege to the Speaker. My privileges were abused if the committee named me for something without even allowing me the opportunity to give my side of the story. That is something we would not tolerate in a Canadian court.

Mr. Sterling: I would rather be very careful about how we do this, Mr. Chairman. I would prefer that you made an informal approach to them about whether they have any desire to appear before the committee. If they indicated that they want to appear, this committee could authorize you at the next meeting to invite them to appear.

Mr. Chairman: I do not see much sense in proceeding with this matter until we clarify whether they want to appear. I am going to do that in two forms. I will ask the clerk of the committee to note that their names have been mentioned during the course of a hearing on a matter of privilege, and we want to extend to them the privilege of appearing before the committee to clarify matters. I will also talk to both members and ask whether they want to appear.

I want to have a formal process of notifying them that they have been named during the course of the hearings this morning. I will then ask them if they want to appear before us. We should set aside any further consideration of the matter until that point has been clarified.

Mr. Bossy: If they do decide to come before the committee, I would like it noted that they have been named by Mr. Ashe. If they both say it is not true, then there is a conflict with Mr. Ashe's statement. He would then have to qualify his basis for naming them.

Mr. Treleaven: That is hypothetical.

Mr. Chairman: I do not think this is going to turn out to be a major problem. There is another Oshawa Times story the members should have that was published the following day, on November 29, in which I believe Mr. Cureatz is quoted. You should have copies of that.

I do not believe there will be any difficulty with the members confirming that they spoke to the press. I noted Mr. Ashe, in his comments this morning, was quite careful simply to recognize that they had been quoted in a newspaper.

Mr. Bossy: The following day.

Mr. Chairman: Yes. Is it agreed that we will provide

them with a reasonable amount of notification, that I will talk to them and we will set aside further deliberations on the matter?

We will also proceed to draft a report on the first matter of privilege, which will include the background information Mr. Forsyth has prepared for us.

11:50 a.m.

There are two other matters related to this which we may wish to consider when we finalize it. First, it has been suggested to me that we do not have provision to take what might be loosely called a lockup approach to releasing reports. Newspaper people who have to meet deadlines and write stories are used to the idea that around the budget, for example, they go to a room, get documents in advance and write stories that can be released as soon as the budget is released. We may wish to consider something of that nature.

Second, you may want to comment on the use of in camera meetings. It has been suggested to me that one quick way to stop premature disclosures of reports is to stop meeting in camera. There is some feeling among members that committees should be a little more careful about when they meet in camera.

We noted this in our previous report on these matters. After all, this is the public business of Ontario. We do have a right to meet in camera to deliberate over these things, but for the most part we are expected to perform, present our positions and argue it out in public. Hence, we have Hansard and all of that. That is another matter you might want to consider.

Mr. Warner: Am I to understand that the June 1984 report of the standing committee on procedural affairs was presented to the House but not adopted, or was it debated?

Mr. Chairman: It was adopted.

Mr. Warner: So we are functioning under these guidelines.

Mr. Chairman: There are one or two other matters before we adjourn today. You are aware that next week we are holding a hearing on yet another matter of privilege. We have invited representatives of the Canadian Imperial Bank of Commerce to appear before us. They have indicated that they will bring counsel with them. Next week's meeting will be somewhat more formal in nature than we are accustomed to. I expect that members will treat that accordingly.

Mr. Treleaven: Are you sure you are not preaching to the converted in this room? Take a look around. There are quality members here.

Mr. Chairman: Yes. There may be some further work required here.

Is it the pleasure of the committee that we swear in witnesses and take their testimony under oath?

Mr. Treleaven: Remember, Mr. Chairman, the law--

Mr. Chairman: Before you go on, let me say the precedent is there for it. On the previous occasion when we heard a matter of privilege from Mr. Riddell and we brought in members to speak, we assumed they had taken an oath of office. When other witnesses were brought in on a matter of privilege, we did swear them in.

Mr. Treleaven: It is not necessary under the act and under our rules. It is the same as being under oath. Whether or not they are sworn in, they must tell the truth.

Mr. Chairman: The swearing-in of a witness does not do much except make them more aware of what the actual condition is. We have sworn in witnesses previously to make witnesses appearing before a committee on a matter of that kind aware that they are expected to act as if they were under oath. It is like reading someone his rights.

Mr. Morin: Will we have legal counsel ourselves?

Mr. Chairman: There were a couple of questions I wanted to put to the committee and that was one of them. We may ask legislative counsel to come down and sit with us during the course of it.

On a previous occasion we hired an outside lawyer to provide the committee with information. To tell you the truth, I did not find it satisfactory. We spent more time briefing him on parliamentary process than he did briefing us on the law.

Mr. Treleaven: I suggest legislative counsel is enough. Let us not blow it out of proportion.

Mr. Chairman: Yes. If it is your pleasure, I will ask the House leaders to allow us to sit in the afternoon and the evening if necessary. I would not like this to run on for three or four days. If it is possible to deal with the matter in a morning, that would be my first choice. If necessary, I would like to continue during the afternoon and evening sessions so we can deal with that part of it in one day.

Mr. Sterling: How many witnesses are there?

Mr. Chairman: I anticipate there will be two from the Canadian Imperial Bank of Commerce, and Mr. Reville, of course.

Mr. Sterling: There are no other witnesses except those two?

Mr. Chairman: Not to my knowledge.

Mr. Sterling: Are we not having any of the people who had a conflict with the bank?

Mr. Chairman: The ruling I am going to make on that, subject to some challenge here, is that I view the matter before the committee as being very narrow in scope. A member of the

Legislature has been dealt with by a bank in a way that may be a breach of his privileges.

My concern is that we could expand the scope of it, but when we tabled the report on the matter, I am certain someone would question whether that was properly before the committee. My judgement call is that we have a narrow matter before the committee and we expand the scope of that investigation at our peril. Nothing would prevent us from doing that until such time as we tabled the report in the Legislature and then people would question, I think properly, whether it was within our jurisdiction.

Mr. Morin: Will we receive any briefing prior to the meeting? There are certain things I would like to find out. For instance, what are the rights of the bank or anyone? If I do not want to do business with you, is it my right?

Mr. Chairman: We can ask legislative counsel and the clerk of the committee to provide us with some background material that would delineate, for example, what I believe--

Mr. Morin: Could we ask them some questions?

Mr. Chairman: Yes. We will try to provide you with sufficient information so all members of the committee will start on an even basis and you will know the Bank Act and things of that nature. We will give you that information as soon as we can. I hope it will be available by the beginning of next week.

Are there any other questions?

Mr. Morin: Are there any precedents on the question of what is the real issue?

Mr. Chairman: We will try to quote some precedents for you to put the issue in front of you as squarely as we can.

Mr. Sterling: Has there been a motion of this committee that we limit the witnesses to the bank and Mr. Reville?

Mr. Chairman: The motion that was put to the committee essentially listed who would appear on that day. Mr. Reville has been invited to appear. The other gentlemen are Mr. Barrett and Mr. Fullerton from the Canadian Imperial Bank of Commerce.

Mr. Treleaven: With their documents.

Mr. Chairman: Their documents will be presented to us prior to their appearance, on Monday next. By Monday or Tuesday you will have a package of information. If it is your wish, we can have a little briefing session prior to the hearing. Is that worth doing?

Mr. Treleaven: At 9:30 a.m.

Mr. Chairman: If you like, we could try to do it at 9:30 on the morning of the hearing.

Mr. Sterling: It is extremely important that we keep to the relevance of the matter. I do not know how best to enforce that.

Mr. Treleaven: Mr. Chairman, with his fragile strength, will do his best.

Mr. Chairman: I will struggle along as best I can to remind members that we have one matter referred to the committee, and that is a matter of privilege. We had some difficulty with that last week, but we will try again.

I have no problem when they are here appearing as witnesses. You may ask them anything you want. That is your right as a member of the provincial parliament. As chairman of the committee, I do not want to impede your right to ask questions or to talk about anything under the sun, but I am going to try to keep you on track. What is before the committee is a matter of privilege from a member of the Legislature. It was referred to us by the Speaker. That is all we are empowered to deal with.

You can talk about anything under the sun.

Mr. Treleaven: When the report of the Ontario Law Reform Commission, Witnesses Before Legislative Committees, discussed the protection of witnesses, it said the greatest protection is an able and fair chairman. That was the bottom line.

Mr. Chairman: At these rates you ought to get at least one of those two.

Mr. Morin: We do not question your ability.

Mr. Chairman: Not yet. Wait until I get in hot water.

Mr. Treleaven: We are with you, win or tie.

Mr. Chairman: So we are agreed that you will be provided with the background information.

Mr. Sterling: There is one key question that will come up. Mr. Reville has the right to cross-examine the bank through other members of this Legislature. Are we going to allow the bank to cross-examine Mr. Reville?

12 noon

Mr. Chairman: Mr. Reville personally does not have the right to cross-examine the representatives of the bank. He has the right to come before the committee and state his privilege. Members of the committee have the right to question witnesses.

Mr. Sterling: Does any member of the Legislature not have a right to--

Mr. Chairman: Yes. I cannot prevent any member of the Legislature, such as Mr. Reville, from participating in the questioning of witnesses.

Mr. Treleaven: I understand and my memory tells me--the clerk can confirm it--that it is the members of this committee sitting that day who determine what rights, if any, other members not on the committee shall have with regard to questioning.

Mr. Chairman: Yes. We have dealt with this matter on several occasions in this committee. We have discouraged other members from appearing and participating in the process. We have requested substitution if they are to do so.

The awkward moment arrives when counsel for a witness asks for permission to participate in the process. Our precedent is that they have a right to have counsel present, but counsel does not have a right to be a participant in the process. This is a committee of the Legislature.

Mr. Morin: That is why it is not run like a court.

Mr. Chairman: Yes. We will try to do that. We may have a little difficulty, but we will try to communicate that to them.

Mr. Sterling: That is where unfairness comes into the whole process.

Mr. Chairman: We do not have any problem with counsel being present.

Mr. Sterling: It is very unfair.

Mr. Chairman: We do not have any problem with counsel making a statement on behalf of his or her client. That is done regularly here, but we do not use cross-examination techniques in committee. That will be the cutoff point.

Mr. Morin: For my own information, let us say that Mr. Reville is not satisfied. Can he then go to court and use whatever was said in committee as evidence?

Mr. Treleaven: Not in a criminal proceeding, no, but he could in a civil proceeding.

Mr. Sterling: It depends on whether they protect themselves.

Mr. Chairman: That is why we are anxious that witnesses appearing before the committee have legal advice with them, to protect themselves in that instance.

Mr. Treleaven: Mr. Morin, in this committee's Report on Witnesses Before Committees, we took the position that in criminal matters the Charter of Rights and Freedoms takes care of that. Whatever the person's testimony is here, it cannot be used against him in court. Civil matters were within our jurisdiction as a committee, however, and we recommended in one of our reports that protection should also extend to civil matters, so what people say here could not be used to incriminate them. That is not the rule yet. The criminal law is the only thing governed.

The person is open at this point, and I am not sure whether he can plead the Canada Evidence Act and the Ontario Evidence Act. I believe, according to the Witnesses Before Legislative Committees report, they do not get that privilege. Even if they try to plead either evidence act, they do not get that protection.

Mr. Chairman: Okay. We will provide you with any information or documents given to us by the bank in the early part of the week and we will provide you with as much background information on the precedents as we can. We will meet at 9:30 a.m. to have a briefing session. It will be an opportunity for you to ask questions and to clarify the status of it.

I remind you we will in public session at 10 a.m. and we will swear in the witnesses so they are duly notified that they are testifying under oath and we will proceed. We will ask the House leaders for permission, if it is required, to sit later in the day to complete the hearing, but the first attempt will be to complete it in the morning session. It is important that we have a quorum at 10 o'clock.

Mr. Sterling: I would like some discussion to take place before we leave today on whether we should hire counsel from outside to advise the chairman who will put before the committee every piece of advice he receives as to the relevance of the question.

The problem we are going to face is that I am not going to protect the bank. No member of this Legislature is going to protect the bank's rights. I have no truck with what the bank did to a member of our Legislature. The problem we faced time and again in the Astra Trust and the Re-Mor deal in 1981 was that people were jumping all over everybody without regard to their rights to natural justice and changing the rules as they went through the procedure to suit them politically.

I do not know whether that will happen. I hope it does not, but the potential is there. There will be nobody in this room who will have the political fortitude--

Mr. Morin: But as long as the issues are well defined--

Mr. Chairman: The only reason I am not advocating that we hire outside counsel is that on a previous occasion when we did, I was in the chair and I found that counsel from outside was unable to be of much assistance. I spent more time explaining to him how parliament works than he spent explaining to me how the law works. I think legislative counsel being present will be of sufficient assistance to me.

Mr. Warner: I listened very closely to what Mr. Sterling said and I agree. I also understand what you are saying about retaining an outside lawyer. I offer one suggestion, someone who not only is a practising lawyer but who was a member of the Legislature and who also represented in court another member of the Legislature in a similar situation with respect to privileges being breached. I believe he has some background in this area.

Mr. Treleaven: I do not think Bill Davis is available.

Mr. Warner: No, not big Bill. I was thinking of Patrick Lawlor. Patrick is well aware of procedures and he also--

Mr. Chairman: I think we would have a slight perceptual handicap there.

Mr. Warner: He is eminently well qualified.

Mr. Chairman: The other problem I want to put to you is not an academic one. The Board of Internal Economy has guidelines now about hiring outside counsel. We would have to find an eminent parliamentary counsel who would work for \$75 an hour. I do not think there is one. Punk lawyers we could get.

We are in agreement on how we will proceed next week. Thank you. We stand adjourned until 9:30 a.m. next Thursday.

The committee adjourned at 12:07 p.m.

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STANDING COMMITTEE ON PROCEDURAL AFFAIRS AND AGENCIES, BOARDS
AND COMMISSIONS

MEMBERS' PRIVILEGES

THURSDAY, DECEMBER 12, 1985

Morning sitting



STANDING COMMITTEE ON PROCEDURAL AFFAIRS AND AGENCIES,
BOARDS AND COMMISSIONS

CHAIRMAN: Breagh, M. J. (Oshawa NDP)
VICE-CHAIRMAN: Mancini, R. (Essex South L)
Bossy, M. L. (Chatham-Kent L)
Marland, M. (Mississauga South PC)
Martel, E. W. (Sudbury East NDP)
McCaffrey, R. B. (Armourdale PC)
Morin, G. E., (Carleton East L)
Newman, B. (Windsor-Walkerville L)
Sterling, N. W. (Carleton-Grenville PC)
Treleaven, R. L., (Oxford PC)
Warner, D. W. (Scarborough-Ellesmere NDP)

Substitution:

McKessock, R. (Grey L) for Mr. Mancini

Also taking part:

Reville, D. (Riverdale NDP)

Clerk: Forsyth, S.

Assistant Clerk: Decker, T.

Staff:

Eichmanis, J., Research Officer, Legislative Research Service

Witnesses:

From the Canadian Imperial Bank of Commerce:

Barrett, D. D., Vice-President, Ontario Region

Brown, D. J. M., Legal Counsel; with Blake, Cassels and Graydon

Fullerton, R. D., Chairman, President and Chief Executive Officer

LEGISLATIVE ASSEMBLY OF ONTARIO

STANDING COMMITTEE ON PROCEDURAL AFFAIRS
AND AGENCIES, BOARDS AND COMMISSIONS

Thursday, December 12, 1985

The committee met in camera at 9:30 a.m. in room 228.

9:59 a.m.

MEMBERS' PRIVILEGES

Mr. Chairman: Just to refresh your memory, the member for Riverdale (Mr. Reville) has raised a matter of privilege in the chamber and the Speaker has agreed that there is enough indication that there might have been a breach to have the committee hear it. At this point no breach has occurred, but this committee's job this morning is to deliberate on that narrow focus from the House. It is here by means of a motion agreed to unanimously by the Legislature.

We will be calling witnesses this morning to hear different versions of the discussion and then the committee will enter into some deliberations on the matter. The first witness before us this morning is Mr. Reville. Go ahead, David.

DAVID REVILLE

Mr. Reville: The facts of the situation are quite simple and straightforward. I believe they are summarized quite accurately in the letter dated November 14, which is before you today, from Mr. David Barrett to me.

For the record, the basic outline of the story is that on October 19 and again on November 2 I participated in demonstrations at two branches of the Canadian Imperial Bank of Commerce in support of the striking bank workers. Subsequently, I received two registered letters from Mr. Barrett indicating that my banking relationship had been terminated. I spoke to those facts in the Legislature on November 26 and made copies of the letters available.

I am a brand-new member of the provincial parliament and do not consider myself to be an expert in the field of parliamentary privilege. My experience as a politician includes five years on the city of Toronto council, which may have conducted its affairs in a more rough-and-ready manner than the Legislature does.

It strikes me, though, without citing to you hundreds of years of parliamentary tradition, that the message I received from the bank was that I was not to be involved in the issue. They were using our business relationship to discourage me from being involved in a matter of considerable public importance to me and to others in this province.

Generally, the question of parliamentary privilege, as it

has developed over the centuries, must be to ensure that people's representatives can, in fact, represent them. An elected official must be free from undue influence and intimidation of various kinds so he or she can represent his or her constituents.

It will be no surprise to you that when I was running for election, I indicated to the voters in my riding that I intended to speak out on issues of the day. Nor will it come as a surprise to you that, as a member of the New Democratic Party, I indicated to the people in Riverdale that I would be speaking out on labour issues and on the right of workers to organize.

It strikes me then that, in order to do my job, I must be able to follow the dictates of my conscience and the policies of my party without fear of attack of various kinds. When parliamentary democracy was developing, the major fear members of parliament had was that the king would put them in jail or perhaps have them executed.

Clearly, that is not the situation in this case, but what did happen was that one of the parties to the dispute knocked out my financial underpinnings. We are all aware of how important to the conduct of our life a relationship with a financial situation is. The action of the bank, at least briefly, obliterated the financial arrangements I had made over many years.

Mr. Chairman, that is what I have to say.

Mr. Chairman: Any questions from the committee?

Mr. McCaffrey: I do not think there is any member of the committee, and perhaps nobody in the audience either, who would quarrel with the well-articulated view that you, as a member of the provincial parliament, have a right to be involved in that or any other issue.

I wonder, though, if we should not be looking at the question of some responsibilities in addition to our rights. I am talking here about the tactics employed. In your judgement, could you not have achieved support of the issue--it is an important issue and I respect your and your party's position on this matter of the first contract, but it strikes me that your tactics were bordering on harassment. I wonder if you would care to respond to that.

Mr. Reville: Whenever anyone is trying to advance an issue, an array of tactics could present themselves. As politicians, I suggest we select from the menu of tactics daily.

There is no question in my mind that this is a somewhat unequal contest, given the size and power of the employer and the much smaller and much less well-financed group of employees. The tactics that were selected were intended to highlight the issue and, indeed, did highlight the issue. I was invited to participate in the particular tactics that had been selected by the union and I was happy to do that. I hope that answers your question.

Mr. McCaffrey: It does, and I respect the candour of

your answer. I do think, though, that having been invited to participate, as you say, in the tactics initiated and developed by the union, there was a judgement call on your part which does get to the basics here, not just the rights of members of the provincial parliament but also their responsibilities.

Mr. Reville: Yes.

Mr. McCaffrey: A legitimate question must surely have been raised in your mind about the advisability of pursuing those tactics to accomplish an end which--I respect your view--is perfectly justified.

Mr. Reville: At no time when I was participating in the two demonstrations was I asked to leave the bank by an official of the bank. At no time, in my opinion, did I perform an illegal act. In both cases, I made a little speech, which was a political speech and clearly on the side of the bank workers. In both cases, I identified myself by name and by position. In both cases, I withdrew from the bank premises in an orderly fashion when I had finished my remarks.

I did not do any littering in the bank. In fact, my view is that, to their credit, the bank officials, police and security guards in both malls conducted themselves with restraint. The groups I was with on both occasions moved along when requested to by the security personnel in the mall itself.

Mr. McCaffrey: I have never been clear on this, and I have heard contradictory news reports. Mr. Reville, did you open up one or more additional accounts at the particular bank?

10:10 a.m.

Mr. Reville: Yes. On October 17 I opened a savings account at the Canadian Imperial Bank of Commerce branch in the Eaton Centre, which is on the second level down. When I opened the account, I again identified myself, and as it happened, the person with whom I opened the account was a constituent of mine and knew me. That account was closed on October 19 after nine deposits had been made, and the manager of that branch gave me a draft representing the balance in the account at that time.

Mr. McCaffrey: May I ask the nature of those nine deposits?

Mr. Reville: Actually, there were 10 deposits. My initial deposit was for \$10 and the remaining deposits were very small and ranged from a few cents to a few dollars.

Mr. McCaffrey: What was the purpose of opening that account and the subsequent 10 deposits?

Mr. Reville: The purpose was to collect contributions to a strike fund. I will be candid with you and indicate that the organizers of the bank workers did not expect the account to stay open very long, and indeed it did not. The bank officials were very alert and must have circulated a memorandum to the tellers, because the account was closed quite promptly.

Mr. McCaffrey: So this account was opened to collect money for the strike fund. In total, what was the balance after the 10 deposits?

Mr. Reville: I do not remember the exact balance. It was about \$18. That initiative gave rise to the second initiative. A sum of money was collected that could not be deposited on that occasion because the account was closed. On November 2 I presented to a representative of the strikers in the bank a bag full of mainly paper money--\$1, \$2, \$5 and \$10 bills--which amounted to about \$226 and some odd cents. The money had been collected and was intended to be deposited on October 19 but was not because the account was closed.

Mr. McCaffrey: After the experience with that account, were there other accounts opened by you at that branch?

Mr. Reville: No.

Mr. McCaffrey: When did you take out the original loan you had with the Canadian Imperial Bank of Commerce?

Mr. Reville: I have had a long-standing relationship with the bank, both in terms of my private finances and my business finances.

The loan that was called was the last in a series of loans over several years. Those of you who are familiar with the contracting business will appreciate that it is not unusual to have a line of credit and a loan. In this case, I had retired my line of credit, and there was a balance remaining on a loan. That was the loan that was called. I am not sure how many loans I took out with the bank over the years, but there were a number of them.

Mr. McCaffrey: Have you had a relationship for some time with that particular branch of the Bank of Commerce?

Mr. Reville: No. My relationship with the Bank of Commerce has been conducted out of the branch at Carlton and Parliament and another branch in the Atrium on Dundas.

When I was elected to city council, I opened an account at the Atrium because it was close by. I ran my city hall pay through that account. My longer-standing relationship had been at Carlton and Parliament because I lived in that area and had developed a relationship with that branch over the years. I maintain a business account, my personal accounts, my mortgage and some retirement savings plans there. I also had RRSPs at the Atrium branch.

Mr. McCaffrey: So you have had a long-standing relationship and a good professional relationship with the bank for some time.

Mr. Reville: Yes.

Mr. McCaffrey: It was only subsequent to your opening the account at the Eaton Centre and the 10 deposits that the problems developed.

Mr. Reville: That is correct.

Mr. McCaffrey: Did you encourage anyone else to open other accounts at that or other Commerce branches for similar strike fund-raising purposes?

Mr. Reville: No, I did not.

Mr. McCaffrey: Do you think in hindsight the bank might have given you a little bit more time in terminating what had been a satisfactory relationship to both parties? Is the timing a concern of yours?

Mr. Reville: The timing was a sub-issue. The bank decided to notify me of the change in our relationship by registered mail and, as life will have it, you will appreciate that when a registered item is sent to your home and you are not there, it does not get delivered.

I was 11 days in the dark as to what had happened to my banking relationship. I did not discover that my accounts had been closed and my loan had been called until 11 days after it happened. That struck me as very odd, because I was in my own branch the day after the initial letter was written. I was rolling part of a RRSP and I stood at the counter for some time filling out forms to set up another RRSP at the same time.

It struck me as odd that local bank officials did not advise me that I suddenly had a different relationship with them. One of my concerns was that when I finally got the letter from Mr. Barrett there were a number of transactions in the system, including about \$5,000 directed towards a chequing account I was then advised no longer existed. I began to have concerns about paper floating around in the ether forever.

Mr. McCaffrey: I have one last observation, if I may--and please, Mr. Reville, respond to this--with regard to the union's position and your and your party's hearty support of the issue. I can understand that as a colleague of yours in this assembly and I can support it.

I have asked and you have answered some questions about your tactics. I am wondering how an individual member of parliament might approach a large corporation like McDonald's hamburgers, or a corporation like a bank where there might be an issue of dispute, for example, minimum wage in the case of McDonald's.

As members of parliament we have the right to respond and protest and articulate our views, but if someone, a member of parliament or otherwise, chose the tactic of standing in line at McDonald's and sending back the cheeseburger or the hamburger or whatever in order to slow down the process, it strikes me that the people in line and others would be justified in their frustration and anger and that McDonald's would be perfectly justified in saying to this individual, "Just take your business elsewhere." I am trying to make an analogy.

Mr. Reville: It is a nice analogy, except that my answer

to your proposition begs the question of whether I want to buy that particular product. I want to make no pronouncement on that, one way or the other.

I think you will appreciate, and we all understand, that in an industrial relations situation there are often consequences to people who are not directly involved in the dispute. The Mississauga situation was undoubtedly an inconvenience to many people who wanted to use public transit. In our society we must on occasion be prepared to put up with inconveniences, given that we generally support the collective bargaining process and what occurs when that process breaks down.

10:20 a.m.

I agree if I was in bank lineup trying to get my pension cheque cashed and I was prevented from doing so because of a bank demonstration, that would, indeed, be an inconvenience and I might be kind of grumpy about it. I hope, though, on reflection I would put my own inconvenience in second place behind the broader interest in seeing the dispute resolved satisfactorily. I hope that does not sound too pious.

Mr. McCaffrey: No, it does not. It does not at all. We hope it does not sound too pious when I say there are corporations and there are corporations, and some are easier to pick on than others, banks more readily than MacDonald's, it seems to me. I was here that day, of course, and as everyone noticed, the tendency to attack the bank was shared on all sides of the House. That was the immediate, knee-jerk response. Banks are easy targets; that is another story as to why.

Mr. Reville: With respect, I at no time denigrated the business relationship I had with the Canadian Imperial Bank of Commerce over the years. In fact, although it may not have been picked up widely in the media, I was personally very satisfied with the relationship I had developed with my local manager, and quite grateful, as a small businessman would be, to get credit and loans and understanding in times of difficulty.

Mrs. Marland: Mr. Reville, do you have a constituency office?

Mr. Reville: Yes.

Mrs. Marland: Only one?

Mr. Reville: Only one.

Mrs. Marland: Do you also have a Queen's Park office?

Mr. Reville: Yes.

Mrs. Marland: You are residing in Toronto?

Mr. Reville: Yes.

Mrs. Marland: Did any of those three locations at any

time receive a telephone call from any branch of the bank prior to you receiving this letter?

Mr. Reville: I am not aware that they did. The first indication I had that something was odd was on Friday, November 22, when I was on my way to the House and discovered to my horror that I had neither any money nor any cigarettes. I went to the Instant Teller at the Colonnade and inserted my piece of plastic in the side of the wall, and it popped out again. There was a cryptic message that appeared on the little window that said, "Call your branch".

I immediately came into the Legislature and borrowed some money and bought some cigarettes, and then I called my branch. Unfortunately, no one was there to answer. About three o'clock that afternoon--I am sorry if this is a bit anecdotal, but I am trying to answer your question.

Mrs. Marland: No, no. What do you mean, no one was there to answer? There was nobody at the bank?

Mr. Reville: The phone was not answered. I think it was probably busy. About three o'clock I was able to speak to a person at the bank, and I said, "Why am I to call the branch?" They did not know. It was Friday afternoon and they said they were very busy, which I believed. I said, "Maybe you can find out and I will call you back." I did call back at 5:50 p.m. and found someone who said only, "Call Mr. Barrett, the vice-president". I did call at probably seven minutes to six and there was no answer there.

I stewed about this over the weekend. On Monday morning, I took my two little notices to the local post office and picked up my mail and then had no confusion at all about what the problem was.

Mr. Warner: Was this November 25?

Mr. Reville: That was November 25, Monday morning, about 8 a.m.

Mrs. Marland: Do you know whom you spoke to when you called the bank after 3 p.m.?

Mr. Reville: I spoke to one of the accountants at my own branch.

Mrs. Marland: Do you know his name?

Mr. Reville: It was a woman. I do not know her name. I think her name is Teresa, actually, but I do not know her surname.

Mrs. Marland: When you are saying "my own branch" at that point, which branch were you speaking of?

Mr. Reville: At Carlton and Parliament, which was the account I was directing my piece of plastic to.

Mrs. Marland: The first of these letters is dated November 14?

Mr. Reville: That is right.

Mrs. Marland: And you are talking about having this rejection on the automatic banking machine on November 22?

Mr. Reville: Yes.

Mrs. Marland: How do you record telephone calls that are left at your constituency office and at Queen's Park and at your home? How are the incoming calls recorded?

Mr. Reville: They are on little pink slips.

Mrs. Marland: Are those pink slips the ones that have a carbon copy in a book?

Mr. Reville: No.

Mrs. Marland: The reason I am asking you that question is that I have not discussed this matter with anyone else prior to this meeting today. As a matter of fact, I had not seen the letter until I received it in my office yesterday. I find it amazing that an institution such as the Canadian Imperial Bank of Commerce would deal solely with this as the first contact with you of their concern at your action.

Mr. Reville: It is amazing.

Mrs. Marland: That is why I am focusing on how you receive telephone calls and whether you can say unequivocally that the bank or any branch of the bank did not try to reach you by telephone prior to this letter.

Mr. Reville: I do not know whether they tried to reach me, but I certainly would respond to a call from the bank. I cannot think of someone's call that I would return faster. I am sure your caucus operates somewhat the same as ours, in that there is a receptionist. I have staff in my constituency office and here at Queen's Park. My wife is quite often at home, as is my daughter; I am not very often at home.

I was in the bank after this action had been taken, and I did manage to process some transactions through the Instant Teller after the action was taken.

Mrs. Marland: I am going to ask the bank if this is how they do business, if it is normal for them to write a letter of this gravity without the branch manager first trying to contact his customer, because I find it hard to imagine that this is the way banking is conducted.

Also, I see a difference of 13 days between your first demonstration and your second. You said your first demonstration was October 19 and the second one was November 2. I would think that, had you received the publicity on October 19, the bank would have been concerned immediately and at least would have tried to reach you and give you some warning. That is one of the questions I am going to be asking them.

Mr. Reville: They did not get in touch with me between October 19 and November 2. The first contact I had was as I have said. With the two letters, I submitted copies of the envelopes, and you can see the postman attempted to deliver one of them on November 20 and the other on November 21.

Mrs. Marland: I am aware of that. The reason I needed to know about the telephone calls was that I am going to be interested to see what the bank says about the telephone calls.

After you received this letter, did you go back and check your pink slips? Did you at any time ask any of the three locations where you receive telephone calls whether the bank had tried to contact you?

Mr. Reville: As you might expect, my staff were quite interested in this event, and I am sure they would have said, "By the way, we got 152 messages from the bank we forgot to tell you about." They did not indicate that at all.

Mrs. Marland: Did you ask your staff if the bank had ever phoned?

Mr. Reville: I did not precisely ask them that, no.

Mrs. Marland: You did not ask them that.

Mr. Reville: Although the call I made to the bank on the Friday was from my constituency office--I was doing an open house at the time--my staff were there; I advised them what the message was, and they thought that was interesting.

10:30 a.m.

Mrs. Marland: However, you actually have not asked any of your staff, "Did the bank try to call me?"

Mr. Reville: I expect my staff to transmit messages to me.

Mrs. Marland: Yes, but I am asking you that question.

Mr. Reville: I understand you are asking me the question.

Mrs. Marland: I am asking it very sincerely, as a matter of fact, because if I had the kind of situation you had, the first thing I would do would be to ask all my staff, both at Queen's Park and at my constituency office, and certainly anyone else in my home who might answer the phone, "Do you recall the bank ever trying to reach me by telephone?" You are saying you did not ask the staff that.

Mr. Reville: I did not specifically ask that question.

Mrs. Marland: When you received this double registered mail of the 14th, in reading it, I am surprised the bank is telling you which accounts they are closing by quoting the numbers and the Alternate Plumbing account, but it is rather interesting

that nowhere in the body of the letter do they tell you where those accounts are held.

Mr. Reville: In fact, I got two letters, and one letter applies to each branch.

Mrs. Marland: However, is it not interesting that the bank has written a letter that does not define where those accounts are?

Mr. Reville: I think the carbon copy does, at the bottom.

Mr. Warner: Mr. Reville, I have a few questions. First, on the matter of privilege, which is what brings you before this committee, while you are a new member of the Legislature, you should certainly not feel that alone singles you out from others with respect to not understanding points of privilege. Very experienced members of the assembly know very little about points of privilege.

However, since you have raised the matter, are you aware that under the Legislative Assembly Act, a member's privilege has been abused if obstructing, threatening or attempting to force or intimidate a member of the assembly has occurred? Would you classify what happened to you as falling into that category?

Mr. Reville: Yes.

Mr. Warner: Do you have reason to believe or disbelieve that through this whole proceeding leading up to the November 8 letter, the bank knew who you were?

Mr. Reville: Yes. The bank's surveillance at the two demonstrations was impressive. Indeed, as I said, I identified myself on both occasions, and the Globe and Mail identified me quite specifically on the Monday following the October 19 demonstration.

Further to that, my local manager at Carlton and Parliament is a person who knows what it is that I do. For the account I opened on October 17 in the 2 below Eaton Centre CIBC, I indicated where I worked and what I did. I do not believe the bank did not know I was an MPP.

Mr. Warner: So at the point on November 8 when the letter was issued, to your knowledge, the bank was aware it was sending a letter to a member of the Legislature?

Mr. Reville: Yes.

Mr. Warner: Are you aware it is general banking policy that a banker proposing to close a customer's account must give the customer reasonable time to reorganize his affairs?

Mr. Reville: That seems reasonable to me.

Mr. Warner: Do you believe you were given a reasonable amount of time to reorganize your affairs?

Mr. Reville: Perhaps I was, in theory. Unfortunately, the letter from Mr. Barrett did not address all the affairs I have with the bank. It did not address the question of my registered retirement savings plans, my mortgage or the financial instruments that might have been in process between the time my accounts were closed and the time I discovered they were closed. I was acting in good faith in believing that I had valid accounts when various pre-authorized cheques were due and when I used Instant Teller facilities.

Mr. Warner: You have been a customer with respect to transactions relating to your private business for at least 10 years; is that correct?

Mr. Reville: Yes.

Mr. Warner: Are you aware that while you have had a satisfactory relationship, the bank also feels the relationship has been satisfactory?

Mr. Reville: I should have thought so. The bank never denied any request I made for both personal and business loans.

Mr. Warner: The bank said on November 23, 1984, the subject has dealt satisfactorily with this office for 10 years.

Mr. Reville: I would like a copy of that.

Mr. Warner: For future negotiations, but unfortunately it is confidential material.

The bank said it made a mistake and it is acting to correct it. There are two questions to that. If you feel it was a mistake and the bank has admitted that and is moving to correct the situation by restoring your business relationship, then is that good enough and should the matter be dropped? Perhaps we should just drop the matter. Second, do you believe the bank made a mistake?

Mr. Reville: I do not believe the bank considered initially that it was making a mistake. I tried to imagine the thought process that went on in some bank office somewhere--I assume there was one--that resulted in the issuance of the two letters to me and the closing of my accounts.

Subsequent to my raising the matter in the House, there was a small delay before I actually heard from the bank in person. My local bank manager has attempted to be very helpful in sorting out what is still a bit of a paper mess with respect to instruments that were not negotiated that I expected would have been. Those matters are slowly but surely being resolved, and there is a willingness on the part of the bank to be enthusiastic in trying to sort those matters out.

From thinking about the situation and from talking with Mr. Barrett, I believe the initial decision was not informed of the public policy considerations of what it means to deal with an elected representative in this manner. The discussion I had with

Mr. Barrett on two occasions made me feel very strongly that the bank was taking a political action that it did not feel would backfire on it. The bank was embarrassed by the demonstrations and was seeking ways to discourage them, and the action taken against me was one of those ways.

10:40 a.m.

Whether this has been a mistake in the long term is for courts wiser than I to decide. What to do about the bank's action is also difficult for me to decide. I am concerned, as any MPP would be, that a financial institution or any other powerful group must not be allowed to interfere with a representative's job. I feel that very strongly. I do not know precisely how we guarantee that does not happen, but presumably that is what this committee will try to do.

Mr. Warner: One last question. You believe that your loan was called, not specifically because you had participated in the demonstration but because you had participated and are a member of the Legislature?

Mr. Reville: I do not know. I do not believe my loan was called for business reasons. I can only conclude that it was called for political reasons.

Mr. Martel: Mr. Reville, I do not know if you have read the material prepared by the banks.

Mr. Reville: No, I have not.

Mr. Martel: Let me just quote from a letter, dated November 27.

"The decision to proceed in this fashion was taken in October."

I became aware of the letters late Tuesday afternoon, November 26. This is regarding Mr. Reville.

It is obvious the banks had made a determination long before the incident that they, in fact, had a way of dealing with customers who might be on the picket line or involved in some way in trying to force the banks to negotiate in a common, fair way with the Visa workers. Obviously that decision had been reached long before this incident.

What has worried me since I read this material yesterday was that the bank is taking the position they had made a mistake. It is easy to say, "We made a mistake." Is the mistake that they went after Reville who had a sounding board, the Legislature, in which people could respond, or did they make a mistake in adopting such a policy to get at the other people?

It really worries me that an institution as powerful as a bank would adopt the procedure it did. It went after you, but it also went after four or five other people like Jack Layton. I do not know if it is a mistake that they went after Jack Layton or

just that they went after you is the mistake.

I am not sure you have read the material or this particular letter.

Mr. Reville: I am not aware of that letter.

Mr. Martel: That is what is worrying me. What is the mistake? Is it that they admit they went after you and should not have or is their whole policy a mistake, attempting to intimidate people who might, in fact, not be on side with them in this issue?

There are a number of other people they treated in the same fashion, who do not have a sounding board or the type of position you have as a member of this Legislature. Is the mistake that they should have been a little cautious with you and still gung ho against everyone else?

Mr. Reville: I have been cognizant of the fact that I had ready access to a forum in which to raise this issue and that, in fact, I am aware that others had little or no access to such a forum.

Mr. Barrett did say to me that the bank had made a decision to sever connections with any of its clients who they could identify as having been involved in the demonstrations. He said that to me on November 25.

I was unaware until just now that they had made that decision in October. I am also somewhat puzzled that given that decision, notwithstanding the earlier decision, it was not until November 14 that they actually wrote the letter to me.

Mr. Martel: I guess I will have to ask the bank, when they come forward, if their mistake was going against you or their whole policy, because if what Mr. Barrett says is that they severed all relationships, then it should not have been a mistake. You should have been treated the same as everyone else, which to me is a form of intimidation.

I am absolutely convinced that to anyone with as much power as the banks, this sort of little game is intended to teach people lessons. It is certainly contrary to the whole process.

I was tempted to ask Mr. McCaffrey if, in his long years here, if he had ever taken part in any type of demonstration on behalf of any of his constituents in any way, shape or form. But I am sure I am not here to ask Mr. McCaffrey about it. The line of questioning amazed me.

Interjection.

Mr. Martel: Yes, right. I am not sure he has ever supported anything.

Mr. Reville: I have never done that, Mr. Chairman.

Mr. McCaffrey: Coming from a member who has built a very

important 18-year political career by attacking International Nickel Company of Canada, it does not surprise me where he is on this.

Mr. Martel: Charlie Baird and I are good friends, I want you to know.

Mr. Chairman: Are there any other questions from the committee?

Mr. Martel: Just a couple of minor ones. I read the report from Mr. Ford. I am coming back to the whole of the mistake. Mr. Ford's statement says, "After much singing, chanting, foot-stomping, unfurling of the banner"--I guess it had bank busters written on it--"and a short speech by the NDP member of Parliament, where he gave a bag containing \$216 to support the strikers, the crowd dispersed at approximately 1:10."

It does not seem to me that the type of action you were involved in precipitated a response that would lead to any disorderly conduct. It did not seem to be very provocative. I have been know to make the odd provocative statement in my time, hoping to rally the troops in a much more vigorous way. But your action did not seem to be all that vigorous. The only one I seem to bother these days is Lorrie Goldstein when I intimidate other members of the Legislature.

Mr. Reville: Mr. Martel, you are intimidating me by suggesting that I was not vigorous enough in my--

Mr. Martel: Your actions do not seem to have been drastic in a sense of a destructive sort of thing. You were trying to encourage people to stick it out. But the reprisal, the action that followed, would almost seem like using a sledge-hammer to kill a fly.

Mr. Reville: Your analogy is troubling me a great deal. Indeed, it was a sledge-hammer, Mr. Martel.

Mr. Martel: But you are more than a fly.

Mr. Reville: If I may respond. I made my little speech and presented the plastic bag full of money, but the most excitement, in my view, that day in the bank occurred when an unidentified bank official came out into the work area of the bank with a little stool, stood up on it, and began to take photographs. That elicited quite a vigorous response--hoots and smiles--from those who were in the bank. That was the most disruptive point, in my view.

Mr. Martel: Well, some of us have had that happen over the years, whether it was--

Mr. Reville: It struck me as odd because, as we know, the bank tends to be equipped with automatic surveillance equipment, and the person with his Nikon struck me as somewhat redundant.

Mr. Martel: As I say, I just think that the type of response--I mean the bank is going to have to answer to us whether this is an ongoing policy as it pertains to other people, as well. I cannot see it being a mistake for you and not the others or vice versa. They were very deliberately attempting to get at you to silence you. They are going to have their opportunity in a little while, I presume, to answer those specific questions from their own documentation.

Mrs. Marland: Mr. Reville, you said a few minutes ago that as far as you are aware, your loan was not called for business reasons.

Mr. Reville: Yes.

Mrs. Marland: By business reasons, I would assume you mean late payment.

Mr. Reville: Yes. If the bank considered that I was not good for the dough, then that would be a good business reasons to call it.

Mrs. Marland: So there were not late payments or anything like that.

Mr. Reville: No.

10:50 a.m.

Mrs. Marland: Just to get the scene, because obviously I was not there, you opened the account on October 17 and closed it on October 19.

Mr. Reville: No, I did not close it; the bank did.

Mrs. Marland: Your final deposit was on October 19.

Mr. Reville: No, I did not make any deposits on October 19.

Mrs. Marland: You told the committee your demonstrations were on October 19.

Mr. Reville: Yes.

Mrs. Marland: You opened the account on October 17 and you made nine deposits.

Mr. Reville: No, I did not make nine deposits. Others made nine deposits.

Mrs. Marland: To your account?

Mr. Reville: Yes.

Mrs. Marland: Were they nine individuals who made deposits to your account?

Mr. Reville: Yes.

Mrs. Marland: Were those deposits all made on one day?

Mr. Reville: Yes.

Mrs. Marland: Was that October 19?

Mr. Reville: Yes.

Mrs. Marland: You also referred a few minutes ago to a decision being made in, I think you said, a higher court or beyond your--

Mr. Reville: I did not mean a specific court such as the Divisional Court or the Court of Appeal or the Judicial Committee of the Privy Council. I sort of meant higher courts--

Mrs. Marland: Are you taking the bank to court? Are you laying charges against the bank?

Mr. Reville: I have not indicated I was going to take legal action against the bank, although I got some preliminary legal advice.

Mrs. Marland: Do you think we, as members of the Legislature, should have different banking privileges than members of the public?

Mr. Reville: No. I believe that quite a lot of the time we are members of the public. I do believe, though, that in so far as we can extract or subtract the pejorative sound of the word "privilege" from the concept of parliamentary privilege, our privileges as members of Parliament must be protected with the utmost vigour, because it is only in that way that we can make our democracy work.

Mrs. Marland: Would you agree there is a decorum of behaviour expected of us as members of the Legislature?

Mr. Reville: There are some rules about our decorum contained in the standing orders, but it strikes me that ultimately the judges of our decorum and work are the voters. If they decide we are indecorous, they may decide to reward that, either by giving us a great many votes or very few.

Mrs. Marland: Do you feel the reflection on all of us follows on the behaviour of any one of us individually, with respect to using our office as members of the Legislature?

Mr. Reville: It is sometimes said that politicians have more in common with each other than with any other species, so to that extent I guess the actions of one may have some effect on the perceptions of others. I, however, have been able to sit on platforms with politicians of different persuasions than I am without horrible difficulty.

Mrs. Marland: The final question I have is, had you been

warned by your branch manager after your initial demonstration on October 19, would you have acted any differently? Would you have not taken part in the demonstration on November 2, 13 days later?

Mr. Reville: I think I would have had another factor to consider.

Mrs. Marland: Would you have acted differently?

Mr. Reville: I do not know. That did not happen. I was not told by the bank, "If you do this again, we are going to cut you off."

Mrs. Marland: I established that with my earlier questions, but I am asking you today, in retrospect, in fairness to yourself and to the bank, which as far as I see from anything I have in front of me did not give you any prior warning of their decision--and I have a great deal of difficulty with the fact that the bank did not--but had you been contacted after your initial demonstration, do you think you would have acted differently and withdrawn from that particular medium of demonstrating with your voters?

Mr. Reville: Mrs. Marland, in so far as I can put myself into a position that did not occur, I suspect I would have consulted with my family--which I did Monday night before I raised the matter in the House--and we would have made a decision. I could have made alternative banking arrangements with some forethought and it would have taken a lot of time to sort it all out. My mortgage has 11 years to go. I continue to feel my job is to support the bank workers.

Mrs. Marland: Have you had any difficulty with any other banks since this incident?

Mr. Reville: I have had no relationships with any other banks since this incident.

Mr. Sterling: I would like to clarify what happened on October 19 at this demonstration and your part in it. Would you tell me how many people were involved in the demonstration?

Mr. Reville: I do not know, Mr. Sterling. The demonstration October 19 was in the Eaton Centre. There might have been 150 to 200 people taking part in the demonstration, some actually on bank premises and some outside. It is not a large branch and there is a crush space in the corridor. In the Eaton Centre, the stores are arrayed on either side of the corridor, so people would have been both inside and outside the bank.

I arrived that day with a number of supporters of the strikers, some of whom are not strikers themselves. I did not join a line-up; I was just in the bank. When my account was closed, I discussed the situation with the manager briefly, in company with a lawyer who happened to be with us at the time. Following that, the banner was unfurled and I made the little speech. Then I left the bank and the Eaton Centre and went about my business.

Mr. Sterling: You say there were between 150 and 200 people there?

Mr. Reville: That is my guess, yes.

Mr. Sterling: What was the activity? Were they singing songs?

Mr. Reville: Banking activities were the major ones. They were in line-ups to deposit money or to change currencies. I believe one of the songs that had been written for this situation was sung. I am not sure about that. I know they were sung November 2. I think a song was sung at the conclusion of the demonstration.

Mr. Sterling: Was anybody throwing anything around?

Mr. Reville: I do not think October 19 was one of the occasions when much stuff was thrown around. I have read press reports that deposit slips went up in the air and that sort of thing; I am not sure that happened that day. I may be wrong.

Mr. Sterling: Do you think your speech incited the demonstrators to further activity?

Mr. Reville: Because my speech was in solidarity with the Union of Bank Employees, I hope it gave them comfort, but I certainly did not incite them to violence or riot or anything like that.

Mr. Sterling: Do you think any bank tellers were apprehensive about the situation?

Mr. Reville: I suspect that many of the bank tellers are supportive of the Union of Bank Employees.

Mr. Sterling: You are not answering my question. Do you think they were apprehensive about what was going on?

Mr. Reville: I have found over the years that bank tellers get apprehensive whenever the bank has a large lineup.

Mr. Chairman: I am not sure any of us can judge how apprehensive anybody was in the situation. I do not mean to imply your question--

Mr. Reville: I am sorry; I cannot answer your question.

Mr. Chairman: I do not know how we would detect it. I assume if there is any activity anywhere--

Mr. Reville: I was mildly apprehensive, I can tell you.

Mr. Sterling: Were you asked to leave the premises during this or subsequent demonstrations?

Mr. Reville: No.

Mr. Sterling: You have never been asked to leave the

premises?

11 a.m.

Mr. Reville: No; and had I been asked, I would have left.

Mr. Sterling: So there was never any threat of prosecution against you in terms of our trespass laws?

Mr. Reville: No.

Mr. Sterling: During the past weeks, have you continued to support the Visa strikers?

Mr. Reville: Yes.

Mr. Sterling: Have you participated in demonstrations?

Mr. Reville: As it happens, no.

Mr. Sterling: Have there been demonstrations?

Mr. Reville: Yes, there have.

Mr. Bossy: As a member of this Legislature, do you feel you have powers that the ordinary strikers would not have?

Mr. Reville: No. However, as a member of the provincial parliament, I think I have some obligations that those who are not obviously do not have. To the extent that I have those obligations, I believe that I and you and other elected officials must be able to go about doing our jobs.

I have been troubled by some of the press reports that have been concerned about privilege in terms of hubris. That was the Globe and Mail's expression, which I translate as some kind of overweening pride. I do not see it in that way at all.

Obviously, if you decide to be in public life, you accept both the positive and negative aspects of that, but you do indeed have responsibilities that you must seek to discharge. In my view, politicians of all stripes do that; they accept the ups and downs of being in public life.

Mr. Bossy: I understand that when you were with the strikers, at the time you were recognized--and I understand you did make a speech--that there were bank officials there.

Mr. Reville: Yes.

Mr. Bossy: Would you then have felt that what you might have said carried much more weight than that of anyone else in the group of strikers who might have spoken to the bank workers?

Mr. Chairman: Again, this is pretty difficult to judge. You are asking somebody to assess his impact, aside from the obvious impact that he is a member of the provincial parliament, and to decide whether Bob White or Shirley Carr could have given a

better speech.

Mr. Bossy: I am leading to my final question.

Mr. Chairman: Good. Let us get there.

Mr. Bossy: I will place that final question. Would you expect to be treated differently from any other bank customer in a bank's resolving a problem it might have such as what occurred here?

Mr. Reville: I would expect the bank would deal with me in a businesslike way.

Mr. Bossy: Do you feel you were treated differently from the other people who have been doing business with that bank?

Mr. Reville: I am not sure how the other people were treated. I do wonder, I must tell you. Had I not been able to stand up in the Legislature and talk about this story, the outcome might have been quite different. I do not know that, though.

Mr. Bossy: I am a little bit concerned because of the dates of letters that were sent out by the bank. I raise this for clarification. It seems the letters that were referred to were November 14. Did you at any time receive a letter dated November 8? That has not been quoted here.

Mr. Reville: No. Mr. Warner suggested November 8. I do not have a letter of November 8, I do not think.

Mr. Warner: A letter was sent.

Mr. Bossy: By double registered mail.

Mr. Reville: The letters I have are dated November 14 and November 18. I have the envelopes, both of which I picked up on November 25. The envelopes show an attempt to deliver one on November 20 and an attempt to deliver the other on November 21. I am unaware of any other letters.

Mr. Bossy: I have a further question, and it goes back to one of the questions I asked about being treated differently. It goes back to your privilege as a member. Would you expect your actions outside the Legislature to be treated differently from those inside concerning privilege?

Mr. Reville: I believe we all understand that part of our job takes place in the Legislature and part of our job takes place outside the Legislature. My view is that the privilege, in so far as it is protected, should be protected anywhere you do your job.

Mr. Morin: I have one question only. In support of the strikers, do you feel you were acting in a personal capacity or in your parliamentary capacity?

Mr. Reville: I believe I was acting in my parliamentary

capacity.

Mr. Morin: Not in your personal capacity?

Mr. Reville: That is right. Otherwise there would have been no point in identifying myself as a member of the provincial parliament.

Mr. Martel: What worries me about some of the line of questioning, I think gets to the heart of the problem. I listened very carefully to what Mr. Bossy was saying. Members of the Legislature do their work in different ways. I am not sure if Mr. Bossy has been on a picket line, but I certainly have been on many occasions. We all do it differently. In no way should harassment or threats be allowed to prevent an individual from carrying on his duty. I am into a process now with the Attorney General (Mr. Scott), as you know--

Mrs. Marland: Mr. Chairman, on a point of order: Are we questioning the witnesses before us at this time, or are we making personal statements?

Mr. Chairman: I plead guilty to allowing immense leeway this morning. I am going to let Mr. Martel finish his point briefly and then we will move on to the next witness.

Mr. Martel: I am trying to make the point that it is very difficult to distinguish. If members cannot carry on their function without someone trying to intimidate them in any way, shape or form, then it inhibits the possibility of members doing anything to bring about change. I guess that is what worries me about some of the questioning I have heard.

I simply make the analogy--although it is vastly different from Mr. McCaffrey's, and I listened to Mr. McCaffrey make an analogy this morning--with the case of Mr. Atcha, which I presented to the Attorney General. Because he is trying to protect his health and safety, both he and I have been contacted by their lawyer with threats and overtones of possible legal prosecution. In my opinion, that is a form of intimidation, an attempt to get people to move from doing what they want to do.

That is why I worry about what Mr. Bossy was saying. I am not sure whether I am misreading his line of questioning. I am looking for some clarification. We have to be able to do that sort of thing, otherwise we inhibit members from doing their job in this province.

Mr. Treleaven: I believe we are seeing our friend Mr. Martel trying to intimidate other members of the committee.

Mr. Chairman: I have never known Mr. Martel to be able to intimidate anybody.

I believe we have completed our round of questions for the first witness. Let me proceed now to call the second witness, Mr. Fullerton, the president, chairman and chief executive officer of the Canadian Imperial Bank of Commerce.

While we are doing that, I am going to explain to Mr. Fullerton and to others who may be interested that we are going to ask witnesses, other than the members, to take the oath this morning. I will ask the clerk to administer that. I want to point out that essentially we want our witnesses to be informed that they are testifying under oath. Members take that oath when they become members of the Legislature; so in effect they have already done that.

11:10 a.m.

Mr. Fullerton is joined by Mr. Barrett, who is the vice-president for the Ontario region of the Canadian Imperial Bank of Commerce, and Mr. Brown, who is their legal counsel, from the firm of Blake, Cassels and Graydon.

Before we begin, I want to clarify that the committee has always held that witnesses before the committee have a right to have counsel present, and the counsel is present to advise witnesses in whatever way he sees fit. We are not entering into cross-examination this morning. We are simply calling witnesses.

R. D. Fullerton, sworn.

D. D. Barrett, sworn.

CANADIAN IMPERIAL BANK OF COMMERCE

Mr. Chairman: We obviously do not ask lawyers to take oaths. We know better.

Mr. Fullerton, what I would like to do is offer you and Mr. Barrett, as we did with Mr. Reville, the opportunity to make an opening statement, and then proceed, I hope more succinctly than we did previously, with any questions that members of the committee may have. Mr. Fullerton, would you like to start off?

Mr. Brown: Mr. Chairman, Mr. Fullerton does have a statement, and we have prepared copies, if that would assist the committee.

Mr. Chairman: We will distribute those for you.

Mr. Fullerton: Mr. Chairman, first may I thank you and your committee for giving us the opportunity to respond to many of the things that have occurred in the past several weeks. I would like to open by making a brief statement, which you all have now.

I wish to begin by making it clear that the bank did not intend to infringe on Mr. Reville's privileges. The bank would never attempt to infringe on the privileges of any elected representative in any jurisdiction. It made a mistake in closing several accounts of individuals, including Mr. Reville's, who were associated with the demonstrations in support of striking Visa employees. The bank has already publicly expressed its regrets for this action. As I said publicly, immediately after the matter was raised in the Legislature on November 26, it was an error in

judgement, it was contrary to our policies and it has been corrected.

The incident occurred in the context of a labour dispute involving the bank's employees at the Visa centre at 750 Lawrence Avenue West. The work stoppage began in June. In August, it turned to less peaceful demonstrations, and property damage began to occur. For example, eight branches had their door locks damaged; dead fish were put into safety deposit boxes on the long weekend in October. Our employees in the branches where demonstrations occurred were harassed and frightened, and bank property was damaged.

Mr. Reville was actively involved in the demonstrations within the bank's branches at the Eaton Centre and Yorkdale. Nuisance accounts were opened by the demonstrators and used to tie up the branch personnel for long periods while small entries were made. Mr. Reville opened one such account in October which was closed on October 19. Others opened similar accounts, and Mr. Barrett, to deal with what he felt was a situation with potential to escalate in the future, sought to terminate the bank's relationship with the individuals whose conduct was associated with those demonstrations.

As I mentioned in my policy directive to all vice-presidents and more senior officers of the bank on December 2: "In times of pressure it can be easy to err in judgement. The action taken by the bank was not an attempt to threaten Mr. Reville with financial intimidation with respect to a matter that is currently before this House."

As suggested by Mr. McClellan, the bank and its employees are not governed by the Ontario labour laws; they are governed by the Canada Labour Code. In any event, Mr. Barrett was motivated by a desire to ensure that any demonstrations in the branches he is responsible for would be orderly and would not present a potential danger to staff and customers. He was not attempting to threaten or influence Mr. Reville.

Furthermore, Mr. Reville was advised by Mr. Barrett the day before he raised the matter in the Legislature that all of his accounts and his loan had been reinstated; the correction was made on the day Mr. Reville became aware of the bank's action.

Mr. Barrett and I have reviewed the matter. I wish to reiterate that the account closure and loan action were not intended to be a form of intimidation, nor to infringe upon Mr. Reville's privileges as a member of this Legislature.

Mr. Chairman: Let me begin by seeking clarification just so the committee is clear. I take it in your opening statement that you are not alleging that in any way Mr. Reville committed any illegal act, are you?

Mr. Fullerton: No, we are not.

Mr. Chairman: You are not alleging that whatever he might have done was in any sense a danger to your employees?

Mr. Fullerton: That he did? What I said in the opening statement was that I believe there was a concern that the actions which were building up might, because of the massive number of people entering our branches, cause danger in the future, but I am not alleging that he did it.

Mr. Chairman: Okay. I just want to be sure you are not implying in the opening statement that the actions of a member were in some way threatening to your employees or that there was any criminal activity involved.

To clarify it further, you did mention several other incidents of door locks damaged and dead fish, etc. You are not alleging that Mr. Reville did any of those things?

Mr. Fullerton: No, I am not.

Mr. Chairman: I have to ask one final question before the committee begins its questioning. I think I have to ask this. You have gone to some length to explain that you did apologize and did not mean to infringe on his rights as a member. Let me ask the obvious question: What was the purpose of the letter?

Mr. Fullerton: The letter was sent, I believe, in an honest attempt to preclude developments which might get out of hand some time down the road in our branches. The intent was to cause a situation that would permit the bank eventually to preclude attendance on bank premises.

Mr. Chairman: Let me try to clarify it a touch. Was it your intention when you wrote the letter to Mr. Reville--

Mr. Fullerton: I did not write this letter, as you are well aware. I became aware of it at a very late time in the exercise.

11:20 a.m.

Mr. Chairman: When the bank wrote the letter, was it your intention to do something which would, if not prevent, at least influence Mr. Reville's decision as to whether he would make a similar speech?

Mr. Fullerton: I do not believe so, because any demonstrator has the full right to demonstrate in front of our branches at any time. There is no restriction on that. The issue is, should people then and in the future feel they have the right to come into our branches and create difficulties and put pressure on our staff, on our customers, on our ability to deliver service and in some cases--as you can see from the material delivered, there are clear photographs--damaging our property. That occurred before and after this incident.

Mr. Chairman: Okay. Let me try to focus our attention this morning. While we might be interested in--and many of us are--the strike situation which now exists at the Bank of Commerce, that is not before the committee.

Solely before the committee is the matter of a member's privileges, and therefore at the centre of our interest is, why did the bank send him that letter? What were the effects of that letter? It is obviously of interest to us what your intentions were. I think, to be very straightforward with you, whether or not you had the best intentions in the world, if the committee finds that you in some way intimidated a member, that would be considered to be a breach of his privileges. We are aware of that.

I will ask you a couple of final questions. I take it you are presenting this morning the formal position of the Canadian Imperial Bank of Commerce, so that we are to take you as being the prime spokesman in this situation.

Mr. Fullerton: Mr. Barrett was here because he was the one who created the documents and took the action.

Mr. Chairman: Is it your intention to have Mr. Barrett make a statement this morning, too?

Mr. Barrett: Mr. Chairman, I think Mr. Fullerton has covered my position quite adequately, but I am free to answer any questions the members would like to ask.

Mr. Chairman: Okay. I have a list now. I know you are not going to like this, but I am going to try to get members to focus precisely on what is before the committee this morning, which is the matter of privilege. While I have a great and enduring interest in who put the fish in the safety deposit box, that is not before us.

Mr. Warner: No questions about fish, tuna, or any other kind of sandwiches.

First of all, I and other members of the assembly appreciate the statement that you acknowledge a mistake, you wish to correct it and that you did not mean to infringe on Mr. Reville's privileges or those of any other member of the assembly. It is not the easiest thing in the world to admit your mistakes. It is even tougher to admit them in public. I appreciate that.

Since the committee is dealing essentially with the issue of privilege, I wonder if you could provide for me your understanding of what a member of the provincial parliament's privilege is.

Mr. Fullerton: I will think about that for just a second.

Mr. Warner: Okay.

Mr. Fullerton: Are you raising the question in the context of what has happened or do you want it in the broader context of what that privilege is?

Mr. Warner: Yes. The member who raised it in the House alleges that his privileges as a member have been affected because of the action of the bank.

The action of the bank is assumed. There is no point in

going over it detail by detail. The action of the bank was deliberate. The bank knew who Mr. Reville was. They knew he was a member of the provincial parliament. They also knew that he was a long-standing customer and, in addition to the "nuisance account"--if we were to accept that categorization--he had a long-standing business arrangement with the bank with respect to loans in his personal business.

The bank acknowledges that he had been a satisfactory customer for at least 10 years and you were quite prepared to enter into an arrangement with him. Mr. Reville even agreed to put up, as collateral, his RRSPs, which were in excess of the amount of money he was asking to borrow from you.

Keeping all of that in mind and keeping in mind that you were obviously aware of the federal Bank Act which specifies that a loan agreement expressly provides if payment of loan is required immediately upon demand, the borrower must be given a reasonable time to pay. You are aware of all of those conditions and yet you decided to take a particular form of action.

Mr. Fullerton: Let me try to answer that in the best way I can. The identification of the problem came to me on Tuesday afternoon at about 3 p.m. I was engaged in a fairly significant worldwide development at that time and it was drawn to my attention by my colleague. That was the first knowledge I had of any of this transaction. It came as quite a surprise to me.

My instant reaction on hearing the very brief statement was that a mistake had been made. My reaction on finding out the details of this transaction was that something very dramatic had to be done to illustrate that this was not bank policy, to communicate with bank personnel country-wide and to make sure that a statement was made that at least attempted to rectify it--because you can never rectify everything--in a public sense. I have been in the banking business a long time and I do not ever recall a bank chairman going on national television and saying his bank had made a mistake, an error in judgement, and that we would fix it.

Let me give you a little bit more than that. I have gone across our system during the past year and told our people that the principles by which we operate as a bank are that, first of all, if we make a mistake, for goodness sake, stand up and acknowledge it quickly; fix it quickly. This is conveyed personally now, not only throughout Canada but through our whole international division which I have visited during the past year.

If we are going to judge people, we are going to judge people in our bank on the basis of overall performance during a period of time. We are not going to judge them because they made one good transaction or one bad transaction or one miscue in judgement or one error or one mistake. We will judge them over a period of time.

In this case, I had finished explaining this to every one of our executive officers and managers across the bank. Then this incident occurred. It is most unfortunate that it did. But it also

proved a very important point. Mistakes will be made, no question of that. We are going to stand up and acknowledge it.

Within an hour, and thanks to the press corps and the television and radio crews which assembled in Commerce Court, I personally went on national coverage; it got international coverage, too. It was a most unusual action for a bank. By taking that action, I could not make a point more effectively regardless of what I did regarding the policy of our bank and the fact that a mistake had been made.

It was embarrassing to me and I recorded that. No question about it. But I told our people country-wide and worldwide that this is not the way we operate. A mistake had been made. I think there were some influences which caused that mistake to be made. But I agree, Mr. Chairman, that is not the subject of this committee's deliberations this morning. We made as positive an effort as we possibly could to acknowledge it.

11:30 a.m.

When you ask me what privilege is, my reaction on hearing it was that it was a very serious situation that had to be addressed. I really do not know how to address it any more effectively than going on national television. Every one of our personnel across the country heard it. I can record that some of them were a little distressed. Nevertheless, every one of our executive officers heard it. I called all of our executive team together and I talked to each one of them about what this mistake was. It was not a case of someone going into one of our branches. It was a perceived that we might be trying to influence a member of Parliament. Actually I called them together twice to make sure they understood the gravity of this kind of situation.

Again, I had an instinct to react the moment I heard it. I know Mr. Barrett fully understands now, after a lot of discussion. He was at the meetings when we discussed it. He was part of it. That is not the easiest thing in the world to do. I cannot tell you more clearly how seriously we observed this, how we reacted right across our whole system and the chief executive officer of the bank was given the guidance in that reaction. Does that answer the question?

Mr. Warner: Certainly in part. The committee, after hearing Mr. Reville and yourself, will deliberate on whether or not a breach of privilege occurred and if so, what course of action to take. The committee takes the matter extremely seriously, as do all members of the House for a number of reasons.

The fact that you have admitted this mistake and are prepared to correct the mistake may sway the committee to determine that there should not be any particular course of action possible. At the same time, it is also important to know that it is a breach of privilege to take or threaten action which is not merely calculated to affect the member's course of action in Parliament, it is of a kind against which it is absolutely necessary that members should be protected if they are to discharge their duties as such, independently and without fear of

punishment or hope of reward.

If the committee finds that a breach of privilege has occurred and it was calculated to intimidate or to threaten or otherwise impede the action of one of its members, among other things the committee could report to the House and cite that imprisonment occur to officials of the bank for a specified period of time. It is indeed a serious matter and a long-standing tradition.

The question is, in part, to determine whether or not the actions by the member which occurred outside the Legislature were as a direct result of the work of the Legislature. To be more specific in this instance, it is probably more directly connected than in many other cases because we currently have before us a bill with respect to first-contract legislation. The demonstrations of which Mr. Reville was a part are directly connected to that legislation, obviously.

Therefore, it is logical to assume that when the bank determined to take the action it did, it was designed to influence Mr. Reville's course of action with respect to that legislation.

I would ask, at the instance of November 8, according to the material you so kindly provided, the date of the first letter sent and I guess never received, at that time was it the purpose of the bank to persuade Mr. Reville to take a different course of action with respect to the legislation which is before the House?

Mr. Fullerton: That is a good and fair question and I appreciate it. Let me explain. Banks come under federal legislation and under the federal Labour Code. In the federal Labour Code, I am sure you are aware, there is a first-contract provision. So whatever was going on here, it was rather irrelevant, I believe, to try to connect the two because all that was going on here in your Legislature was to bring the code generally in line with the federal Labour Code. But we, as a federally regulated organization, were already under the code.

So my answer to you is, no, there was no effort or attempt to influence that, because we were not interested in influencing that. It was not even part of our thought process because we were already governed by the federal code. Does that elaborate on my answer?

Mr. Warner: I appreciate that response. An aspect troubling me is that, as you are aware, when you terminate a customer's relationship with the bank, you are to give a reasonable time for the customer to reorganize his or her affairs and a reasonable time to pay. Maybe you would think differently, but even accepting that the letter of November 8 would be received within a day or two, is it your view that it is reasonable to terminate business connected with a private operation by November 27, which must have all its business affairs reorganized by then?

Mr. Fullerton: Given the facts, I have acknowledged both internally within our own staff and externally that the time frames here were not businesslike. We have expressed our regrets

in the clearest way we can. But in every business environment pressures come on our people, including me, and sometimes they tend to well up and cause a decision to be made that may be wrong.

If it does happen, I want our organization to understand we are not afraid to stand up and say we made a mistake. I cannot be any clearer with you on that. A mistake was made, no question about it. Some degree of provocation may have existed, to which a number of members have referred. You can make your own judgement as to what degree that provocation went to, or whether there was provocation. But we are saying we made a mistake, and no, it is not bank policy to call loans in that manner. I made it clear to all our executive officers, in case of any doubt, and there was little doubt in any of their minds.

I have made it clear in personal discussions with them, which is an awful lot better than if I was in public contact through every medium in the country. This is not our policy. The only way I can influence our organization to ensure that parliamentary privilege is not breached is exactly the route I took. Despite my somewhat awkward personal position as the chairman dealing with this, I feel nobody in our organization's management levels has any doubt at all about what has gone on here. Looking down the road, I figure that is the most effective way of ensuring these mistakes are not made again, despite whatever provocation might come.

Mr. Warner: You think we should be able to "Count on the Commerce"?

Mr. Fullerton: The answer to that is yes.

Mr. Chairman: Good.

Mrs. Marland: Mr. Fullerton, has this ever been done before? Has the bank ever taken a similar action with a person with whom it was conducting business?

Mr. Fullerton: I would like to have the full depth of knowledge so I could go through the bank's history and answer that question. It is not bank policy. I am not aware of it.

11:40 a.m.

Mrs. Marland: Has your bank ever been involved in a strike situation before?

Mr. Fullerton: No. Excuse me; yes, we have.

Mrs. Marland: Were there public demonstrations in that situation?

Mr. Fullerton: I believe there was one in Quebec. It was a number of years ago. I am relying on my memory--I need to have that on the record--but I believe there were some demonstrations.

Mrs. Marland: Your staff obviously has not researched it to see whether similar actions were taken then.

Mr. Fullerton: I do not believe there were. It did not come to my attention and I was at the bank then. Although I was not in charge of the bank at that time, I was at a reasonably senior level. It would not be unreasonable to assume it would have come to my attention, one way or another.

Mrs. Marland: Do you now know how many accounts were similarly closed, other than Mr. Reville's?

Mr. Fullerton: I think there were five.

Mrs. Marland: Five?

Mr. Fullerton: Five.

Mrs. Marland: Can you tell this committee how those five--

Mr. Fullerton: If you will excuse me, there is a definition problem because one individual had three accounts.

Mr. Chairman: I am going to make a ruling. I do not want to inhibit the members, but the matter before the committee is Mr. Reville's privilege. Matters that are relevant are matters that deal solely with his actions or things that might have happened against him personally.

Mrs. Marland: Okay.

Mr. Brown: In putting this book of documents together for your assistance, we have included all the documents relating to all the accounts.

Mrs. Marland: Bear in mind it is impossible to have read that since yesterday afternoon. Mr. Fullerton, in the first paragraph on page 2 of your statement, you explain Mr. Barrett's actions. When he decided how to deal with the situation, did he do it without consulting any other officers of the bank?

Mr. Fullerton: I will ask Mr. Barrett to answer that question.

Mr. Barrett: I did discuss it at the time with other people in the bank.

Mrs. Marland: Were they people in a similar position as yours as vice-president?

Mr. Barrett: That is correct.

Mrs. Marland: A number of people?

Mr. Barrett: Mrs. Marland, we have a committee that looks after the union situation at the bank. I referred it to those people to make sure it was in keeping with what we wanted to do as far as the bank was concerned, so I thought I was on solid ground in dealing with them.

Mrs. Marland: It was not solely your decision. A number of officers of the bank decided this was what had to be done.

Mr. Barrett: The decision was my decision and that of my colleagues who worked with me in the Ontario region, but no one more senior than I made that decision for me. I made that decision.

Mrs. Marland: You made it to achieve what you saw was needed at the time?

Mr. Barrett: That is correct.

Mrs. Marland: I was not there and did not experience any of the events throughout any of these demonstrations, but I cannot even begin to anticipate what you mean in the third paragraph on page 2 where you talk about the potential danger to staff and customers. Can you explain how that statement pertains to the case before us?

Mr. Fullerton: There are two situations here, one that has happened and that you perceive might happen in the future. The only picture I can draw for you is what happened later at our Bay Street and Richmond Street branch; it was after this transaction went on.

A number of people who were on convention came down to Commerce Court to demonstrate. There were several hundred. When they were finished at Commerce Court they went back up Bay Street. They all walked into the Bay Street and Richmond Street branch to the point where you could not get another body in the branch. It was full. When you get that many people together, it is scary. I think a pregnant teller had to be taken home. She was scared. The people in the branch were upset. When all those people are sitting in one of our branches, wall-to-wall bodies, it is dangerous in my judgement. If anybody does anything, it could get out of hand quickly.

That is the kind of thing that was worrying Mr. Barrett and everybody involved. It did happen. I realize it is not necessarily a justification; it does not take us off the hook. However, people were looking to the future, wondering what this escalation would create and trying to the best of their ability to take action that would convince people that there was a step one does not go beyond.

I think this was what was motivating Mr. Barrett. I hope that guidance will be observed by the people who organize these kinds of things. Our customers are also affected by this. It is not casual when a branch is full of people; no business can be done.

Mrs. Marland: What direction was made in the two circumstances involving Mr. Reville? What direction was given to have those people leave? We heard earlier this morning that Mr. Reville said at no time was he asked to leave the premises, which are private property.

Mr. Fullerton: I have to pass that one to Mr. Barrett.

Mr. Barrett: No attempt was made to have the demonstrators leave the branch. In most cases, the demonstrations were orderly. Only recently have they become disorderly. Earlier, in union discussions with our people, I was advised that the demonstrations could be expected to escalate over time, and history has shown they did. The earlier demonstrations were orderly. The demonstrators were cordial, went about their business, did what they had to do and then left. Around the middle of September, the demonstrations became disorderly. In one case, and I think the date was October 25, at 1940 Weston Road a number of demonstrators took peanuts in the shell and--

Mrs. Marland: Excuse me for interrupting, but in fairness, we can only deal with Mr. Reville's demonstrations, which were October 19 and November 2.

Mr. Barrett: I appreciate that.

Mrs. Marland: Was that scene similar to the one Mr. Fullerton just described where they were packed in body-to-body and the customers' safety was in jeopardy?

Mr. Barrett: I believe so. I witnessed one personally and that is the case.

Mrs. Marland: Which one did you witness?

Mr. Barrett: The one on November 2 at Yorkdale.

Mrs. Marland: Will you describe it?

Mr. Chairman: I am going to intervene for a moment. I appreciate the point that has been made. This room is full this morning. Lots of apprehensive people are here. I am not sure that we are in danger. When you have a room full of people, somebody gets apprehensive. I am worried about whether this is all going to go balooey. The cameramen are worried about getting the right shots. Everybody is worried. Let us take all that as a given and get back to the matter of privilege.

Mrs. Marland: Mr. Chairman, with respect, we heard a description by Mr. Reville of what took place in the demonstrations.

Mr. Chairman: We have heard a description of what took place from Mr. Barrett and from Mr. Fullerton.

Mrs. Marland: No. Mr. Barrett is just giving his description of what took place right now. That is the reason I asked. I would like the bank's opinion of the scene on those two dates. We had Mr. Reville's description of the scene on those two dates. If I am to decide whether the action was necessary or subsequently decide on the matter of privilege, I have to know how both sides saw the scene.

Mr. Chairman: Briefly.

11:50 a.m.

Mr. Barrett: The demonstration at Yorkdale was very similar to what Mr. Fullerton mentioned about the one at Bay and Richmond. The branch was crammed with people. Although we did not do a head count, I assume there were 200 or 225 individuals. Customers were interspersed with the sympathizers and the Visa strikers.

Up to the time Mr. Reville gave his address, the demonstration was quite orderly. There was singing and chanting and the demonstrators were having a good time. Our people were not under any pressure. They had only the pressure of serving people with their transactions. Mr. Reville gave a little address. The demonstrators unfurled a banner. Mr. Reville talked about the money he had for their cause. His last words were, "Go for it."

At that point the mood changed. It did not become ugly, but paper started to be strewn around, the branch became very messy and the people at the wickets became more aggressive. The tellers at that stage became very concerned. I was witnessing this and I could not control it; I just could not.

I talked to the police who were close by. They said there was nothing they could do. In my wisdom, I felt I had to react to the situation for the future. In discussing the matter with my colleagues on Monday, we decided we should try to discourage certain people, as they became identifiable to us, who we did not want in our branches any more. However, we could not do that if they had accounts with us. This was the reason for closing Mr. Reville's accounts.

It was mentioned to me that Mr. Reville had a loan with us. I said: "That is an account. If Mr. Reville continues to have a loan with us, then he has every right to come into our branch to do normal business." Therefore, I decided that his loan account should be called.

Mrs. Marland: Did Mr. Reville have to stand up on something to be above the crowd?

Mr. Barrett: No. Mr. Reville stood on the floor and the people in the room gave him some space.

Mrs. Marland: Is it your opinion that his final statement accelerated the situation prior to what the status of the situation was before he started to speak?

Mr. Barrett: That is correct.

Mrs. Marland: Were there police on the premises inside the bank or were there just your own security people?

Mr. Barrett: The police were outside the branch. There were two security officers inside the branch.

Mrs. Marland: The police said there was nothing they could do about it.

Mr. Barrett: That is correct.

Mrs. Marland: Were there people in the branch at that time who were not part of the demonstration and who were not employees at the bank?

Mr. Barrett: Yes. There were customers in the branch at the time.

Mrs. Marland: Okay. There was jeopardy to members of the general public who may have been in the branch at the time this was taking place.

Mr. Barrett: Yes, there was. In one case, I was talking to an elderly couple and the gentleman said he was going to give them a piece of his mind. I asked him to refrain from getting involved. I said, "Please transact your business and leave."

Mr. Chairman: Are you finished with your questions?

Mrs. Marland: No.

Mr. Chairman: Hurry up then.

Mrs. Marland: It is hard to hear the answers because of the conversation going on to my left.

When you identified a number of people you thought should receive termination of the services of the bank, it was obviously easy for you to identify Mr. Reville because he introduced himself. Were the other five accounts that you mentioned all part of a selection made on observations of the demonstration that day or were there previous references to other demonstrations?

Mr. Barrett: One of the letters written was to Mr. Layton. That was alluded to earlier. That was after Mr. Reville's letter was written. The other letters were written based on our seeing the individuals in the demonstrations prior to and including November 2 at Yorkdale.

Mrs. Marland: I accept what you are saying in your statement, Mr. Fullerton. Certainly, it is clear that you would neither condone nor advise your officers to take similar action in the future with respect to the closing of the business transactions with those particular demonstrators.

Since your concern was primarily the safety of the people who are not involved, either your employees and/or the customers in the branch, what will the bank policy be in the future to deal with the security of people who may be on your premises in a similar situation, especially when you have the police outside the bank who are responsible for law and order and protection of the public? What is the policy of the bank with regard to exercising your responsibility to the public without taking this punitive action against one of your customers who has an account in the bank?

Mr. Fullerton: We have had a reasonably difficult time

with all these issues, as you can appreciate, in trying to come to some rational answers. We have tried to operate within the law as the whole scene has developed. The police have recognized and have assisted with any situation that has gone beyond the reasonable. In the earlier stages, while there was a reluctance to take any action whatsoever, latterly there has been a recognition that some actions have been taken that require their presence.

We propose to work closely with them to control any sort of mob danger within our branches in the future. That is about the only way we can operate effectively and respect the kind of situation that has been brought up here.

Mrs. Marland: Have you made a policy to limit the number of people within a certain area of the bank?

Mr. Fullerton: It is not easy to implement such a policy. You can have a policy and you can propagate that policy but when 500 people walk in the door, it is very difficult to implement that policy.

Our basic approach has been to try, within reasonable parameters, to accommodate what has been going on. Mr. Barrett has indicated that we did not rush out and try to throw people out of our branches. We tried to stay within a reasonable parameter. As damage and potential danger escalated, we became concerned for our staff and for our customers.

Mrs. Marland: Did the bank try to contact Mr. Reville by telephone prior to sending this registered letter?

Mr. Barrett: No, we did not. Normally we do. That is where I made my mistake, for which I am sorry.

Mr. McCaffrey: I am puzzled and confused. I cannot recall ever having seen such a public demonstration of guilt since I have been in this business. It staggers me.

Let me touch on a couple of things that come right from the statement. I have at least one question I must, for my own satisfaction, put on the record. You stated that the bank made a mistake in closing several accounts of individuals and that, "The bank has already publicly expressed its regrets for this action." You have mentioned a number of times this morning that you have done this on national television. "It was an error in judgment. It was contrary to our policies. It has been corrected."

Juxtaposed against this we have some other things in reading your statement and in the subsequent conversation. The work stoppage began in June. Within a couple of months less peaceful demonstrations were evident and there were some indications of property damage, the damaged doors, the fish in the safety deposit boxes, employees harassed and frightened. That has been elaborated on and I can only assume it continued to escalate after August.

Mr. Barrett, aware of all those things and the escalations since June, feels, it seemed to me with some justification, that this has the potential to escalate even further. He saw himself

one individual whose safety, in his judgement, was in jeopardy.

12 noon

You, Mr. Fullerton, talked about the crowd at Bay and Richmond and reference has been made to the crowd at Yorkdale. In the midst of all this concern and the pattern from June on, a gentleman, a customer, a member of the provincial parliament makes a speech that concludes by saying, "Go for it." It seems, coincidentally or not, that there is a change in the mood. It looks as if it might become ugly at that stage of the game.

We are talking about a pattern of escalation over some months. An elderly couple expressed concern; there was a pregnant teller. What in hell was Mr. Barrett supposed to do?

Mr. Fullerton: That is a fair question. I have had a lot of shareholders write to me about that. I have had a lot of the staff ask me the same question. However, we do not correct a wrong with a wrong, and that is not the direction I am going to give our staff in our bank. We took an action that was contrary to the policy and general good business practice of our bank. Regrettably, there was provocation, but the action was taken.

What I said is not anything contrary to what you have just recited, but I acknowledged on behalf of our bank that we made a mistake in the process. I did not say the things that were provoking us should not have provoked us or that we should not take a very serious view of them. All I said is that we made a mistake.

I believe so strongly that you do not correct a wrong with a wrong that I felt obliged to stand up and say that. I was not condoning the action of anybody who was ripping posters off the walls of our branches, taking our stationery, throwing it on the floor and destroying it, terrorizing, or at least harassing, our staff. I know this caused real concern for our customers because they have phoned me and told me. I was not condoning that for one second, but I am not going to fight a wrong with a wrong.

Mr. McCaffrey: I respect that. On both sides of this issue, there are judgement calls being made regularly. Mr. Reville and others have a legitimate right to protest. Nobody is quarrelling with that. I suppose they are looking regularly at the question of what tactics they are going to be able to use. There are judgement calls as these things escalate.

What we are talking about on your side now are tactics in your judgement. I understand because, my God, you could not be more apologetic. Not since Stephen Leacock wrote that essay has a bank so publicly chastized itself. It is unbelievable. At any rate, what tactics might you employ in the future or encourage your staff to employ to protect customers' rights to go in and make deposits and take out money?

I am not asking you to protect the public's safety--the police can do that--but I think you have some obligations to all your customers.

Mr. Fullerton: Yes, we do.

Mr. McCaffrey: In the face of similar demonstrations in the future, what tactics might the bank use?

Mr. Fullerton: Let me talk about what we have done. We have talked to the police about each one of these incidents. Each time we have talked to them. As we have explained what has happened and as they have observed themselves when they saw some of these things happening, they have been more proactive in assisting. I believe they realize there is some potential for difficulty.

As this has progressed, we have received continuously better police protection. I think that is what our country is all about. We do not go out taking overt action. We live within our laws and within the authority of our police forces, which I happen to believe are probably the best in the world. They do react. They are good and they help. That is what we are doing.

Mr. Martel: I must confess I am having a little bit of difficulty. I appreciate what Mr. Fullerton has said, but I have difficulty on two counts.

We are talking about the demonstration of November 2, which I presume led to the decision to cancel Mr. Reville's account. There is a letter dated November 27, written by Mr. Fullerton. Mr. Barrett has explained that he is responsible for the policy so I want to put it in that perspective, Mr. Fullerton. Let me quote the letter.

Mr. Chairman: For the interest of the committee, it is on page 406 in your information package.

Mr. Martel: "By now you have probably heard that the bank is at the centre of a public controversy surrounding the manner in which we have dealt with several customers who participated in recent strike demonstrations.

"What occurred essentially is that we advised these customers by individual letters that we are exercising our right not to do business with them by terminating their accounts, and in one case calling a loan. The decision to proceed in this fashion was taken in October."

Mr. Barrett has just stated that after the demonstration of November 2 the bank decided to take this policy. This letter says that policy was arrived at in October. I am trying hard to put the two in the perspective I am expected to accept. Maybe you can help me to understand.

Mr. Fullerton: Mr. Barrett will have to answer that question because you are working on his background material.

Mr. Barrett: Very astute observation, Mr. Martel. The decision to take that course of action had been made earlier, in the latter part of the October, after the Toronto Eaton Centre

demonstration, but not with Mr. Reville in mind. The decision to write to Mr. Reville was mine and it was made following the November 2 demonstration. The decision on some of the earlier letters was made actually in October. Does that clarify it?

Mr. Martel: It clarifies what happened. I do not know bank policy and I am not a banker, but I am amazed that a serious decision of this magnitude--and I am not making allegations of any sort--could be made without going to the people who ultimately have to carry the can.

In this case it has been Mr. Fullerton. That is a pretty serious policy decision. I would think the chairman of the board would want to know that type of policy, because it certainly would have ramifications.

Mr. Fullerton: There is no question the buck stops here. That is why I am here. With inflation, maybe a little more.

Our organization is made up of many things: 33,000 people, 120 vice-presidents and above roughly, \$75 billion worth of assets. It is not big in world terms, but it is fairly large. We have decisions going on all over the world, whether in Hong Kong, Tokyo, Blaine Lake, Saskatchewan, Brantford, Toronto, Montreal or Vancouver, all of which are important to the people that deal with us.

They are important decisions and they have to be dealt with. To run an organization of our size effectively, the delegation that goes on has to be very effective. We look to our senior officers to make decisions. We give them responsibility for their territories, to go out and deal with them.

Yes, I am the guy who carries the can in the final analysis, but the management of our bank is professional. That involves people, decision-making at all levels, and effective delegation within territories. That is the way we work. In the final analysis, I trust my people to make those decisions.

If I did not, then I would be making every decision in the bank. I would not be a chairman and chief executive officer; I would have every title from teller right on up, because that is where all the decisions get made, right through the whole organization.

I trust my people. When I trust them, I tell them: "You are going to make a mistake or two. That is too bad. Acknowledge it quickly. Fix it quickly. I told you this earlier. Then get on about your business. Stand up like a man and say we made it." I have told them all this. If we have to adjust our policies or reinforce our policies, I will do that job personally, and I have done it personally.

That is how decisions are made out there. You may feel that I should be making all these decisions. I must record with you I do not feel that way. I really do trust my people.

12:10 p.m.

Mr. Martel: I am not suggesting you should have made the decision. The only thing I am suggesting is that it was unusual with a policy of this magnitude that someone did not eventually advise you that this was bank policy.

Mr. Fullerton: Go back on that one a little bit. I have to ask Mr. Barrett, but in some of these decisions we were making we were dealing with one-cent accounts. Is that right?

Mr. Barrett: Correct.

Mr. Fullerton: I really do not regard the closing of a one-cent account that was opened in the nuisance category as a major policy decision of the bank. I really cannot put that in perspective.

Mr. Martel: I can understand that but it went substantially beyond that. I am saying the magnitude of such a decision is what has led to this problem with which you are confronted now.

Mr. Fullerton: It escalated and we made a mistake. We made an error in judgment in escalating it but it started off with a one-cent account. I believe that is correct. Is it not?

Mr. Barrett: That is correct.

Mr. Martel: Yes, I read the material presented.

The other thing I want to raise, and it comes out of your statement as well, is that it is my understanding that Mr. Reville was not really advised, or it certainly was not clear in his mind, that all of his accounts were reinstated when he spoke to Mr. Barrett on November 25. Was that clear? Did Mr. Reville really understand that everything was copacetic, back in order, or was it somewhat ambiguous?

Mr. Barrett: I think I should answer that. In my mind it was very clear. I cannot answer for Mr. Reville but when I spoke to him on November 25 I indicated to him that everything would be made current. We would reopen his accounts. I said I would get on the phone to his branch manager immediately.

I was also very concerned with the facts he gave me on his mortgage, of which I was not aware. I got on the phone to his branch and Mr. Reville and I had tentatively set up an appointment for a week Tuesday, which was the earliest that he saw we could get together to discuss matters. I said in the meantime it would be business as usual. That is how the conversation was left.

Mr. Reville could not be with me earlier that day either, or the following day because the Legislature was opening up on the 26th and on the Wednesday he was flying to Ottawa for the balance of the week and would not be available till the following week.

Mr. Morin: I have two questions. Did you know that Mr. Reville was a member of the Legislative Assembly at the time you

decided to terminate your banking relationship with him?

Mr. Barrett: Yes, I was aware.

Mr. Morin: Was your action in terminating your banking relationship done with the intent to affect his duties or voting pattern in the Legislative Assembly, for example, with current or future labour law legislation?

Mr. Barrett: Absolutely not.

Mr. McKessock: Pertaining to ways of controlling the public on your premises, you were talking about the--

Mr. Chairman: I am interrupting to point out to you that we are interested, obviously, in what they might do there but this morning we are hearing a matter of privilege and I want members to focus on that.

Mr. McKessock: Okay, this one is really a supplementary to a question that was asked earlier about which the chairman did not allow a supplementary.

Mr. Chairman: That was out of order a little while ago.

Mr. McKessock: I take it you could have used the Trespass to Property Act. You were saying you could use only the police; you could not use the trespass act as long as you have dealings with a customer who has an account at your premises.

Mr. Barrett: That is correct.

Mr. McKessock: But that act could be available to you for members of the public who do not have dealings with the bank.

Mr. Barrett: I was not aware of that.

Mr. McKessock: Do you understand you could?

Mr. Barrett: No. Actually, on November 2 at Yorkdale I asked the police if there was some way they could help us defuse the situation. They said: "No. Nothing criminal is going on." I said, "What would be criminal?" They said, "Trespassing." I said: "What constitutes trespassing? How do you tell a person he is trespassing?" He said: "You have to notify the people in writing that they acknowledge and then you have to say, 'You are not allowed in our branch any more and you have been notified.' Then you can say to the officer, if he decides to take that course of action, that individual is trespassing." That was my understanding of the situation at the time.

Mr. Bossy: I refer to page 2 of Mr. Fullerton's statement, the first sentence. It mentions nuisance accounts. I want to relate that to the account Mr. Reville had. Based on your decision to terminate his business with the bank, was his account recognized as a nuisance account? How do you determine nuisance accounts in your bank?

Mr. Barrett: Mr. Reville's account was not a nuisance account. The accounts that we closed were not considered nuisance accounts. His accounts were closed because I was advising Mr. Reville, as I was others, that they were not welcome in our premises any more. I could not do that if the individual still had accounts with us, be they deposit or loan accounts. That was the motivation of my decision.

Mr. Bossy: From what I have been able to determine, it seems as if everthing leads to the fact Mr. Reville did nothing wrong in your bank. I can only pinpoint that there was a nuisance account opened. Maybe this decision was influenced because of other accounts that were opened. However, first I would like you to answer my question concerning how you determine nuisance accounts for your banking operations.

Mr. Barrett: My interpretation of the nuisance accounts in this context is that they were accounts that were opened by individuals in which very small amounts were being deposited, with the object in mind of having them closed shortly thereafter. They were not opened for normal banking purposes in our interpretation of normal accounts.

Mr. Bossy: Mr. Reville's action in opening a so-called nuisance account did not influence you to write a letter informing him that his accounts, or his business, would be terminated with the bank.

Mr. Barrett: The fact that Mr. Reville had opened a nuisance account earlier must have been part of our decision-making process, but it was not a major part, as I recall it.

Mr. Chairman: Are there any further questions from the committee?

Mrs. Marland: Just one fast one. Mr. Barrett, when you spoke to Mr. Reville on November 25, the day before he came into the House, and gave him the assurance his banking privileges were to be continued with the bank, was anything said to you by Mr. Reville of his intentions to bring the matter before the Legislature?

Mr. Barrett: No. Early in the discussion when Mr. Reville spoke to me, he asked me what the purpose of the letter was and I told him. He indicated that he was not sure, but he thought I might be abridging his privileges as a member of council--and he said "council"--and I had no idea what he meant. However, that is the only discussion we had about this issue on November 25.

Mrs. Marland: That was the only reference. So after you told him he was reinstated, you had no idea that he was still contemplating discussing it in the Legislature.

Mr. Barrett: When we finished our conversation on the 25th, I expected Mr. Reville and I would be getting together the following week and resolving matters to our mutual satisfaction.

12:20 p.m.

Mr. Warner: I have one return to the letter of November 27 from Mr. Fullerton. It says in the second paragraph, "What occurred essentially was that we advised customers by individual letters that we were exercising our right not to do business with them by terminating their accounts and in one case calling a loan."

The reference to calling a loan; is that Mr. Reville?

Mr. Fullerton: Yes. I am just reciting facts in this letter. It is just a factual statement.

Mr. Warner: The decision to proceed in this fashion was taken in October. Therefore, the decision to call Mr. Reville's loan was taken in October, prior to November 2.

Mr. Fullerton: Mr. Barrett just answered that question. I believe he did.

Mr. Warner: It is his answer that prompted me to ask the question again. There is something wrong with the letter.

Mr. Chairman: If I can clarify it, the bank had some policy discussions in October and reached some general policy conclusions. The decision to send the specific letter was made by Mr. Barrett after consultation with his own colleagues.

Mr. Warner: General policy was set out in October. At the time you decided on that policy, you were aware of the Bank Act and you were still quite prepared to flout certain sections of the Bank Act which require you to give reasonable notice with respect to loan calls. Am I correct in that? It was a risk you were willing to run.

Mr. Chairman: I do not think they were prepared to flout certain sections of the act.

Mr. Barrett: We were not prepared to flout anything.

Mr. Warner: You were willing to run the risk.

Mr. Barrett: No.

Mr. Warner: Then why were you not prepared to acknowledge what the Bank Act sets out with respect to the calling of loans? Or did you determine that two weeks' notice was sufficient time to call a loan and reorganize one's business affairs?

Mr. Barrett: As I recall, the decision to bar people from our branches was a decision made by our labour relations people in October. The decision on Mr. Reville's case was made on the weekend of November 2. I should clarify for you that on November 8, the day the letter was written, there were some transactions coming through Mr. Reville's accounts. Rather than return them, we processed them and rewrote the numbers in the

letter.

The decision to call the loan was made on that weekend of November 2. In my mind, we gave Mr. Reville a reasonable amount of time to make other arrangements. I would hazard to say that Mr. Reville or any other member of the Legislature can go into any one of our branches and get a \$10,000 loan that day on his own signature under normal conditions.

Mr. Chairman: Thank you for attending this morning.

I have one question to put to the committee. At the time we set out to hold these hearings today, we decided only witnesses who were directly involved in the matter would be called before the committee.

There have been requests from other interested parties--I guess that is the proper way to put it--to make an appearance and I have adhered to the committee's decision not to provide an occasion for them to appear. We have another person who has done so again this morning. I want to check with the committee and make sure you are still of a mind that you have called the witnesses you want to hear and no others will be called. Is that right?

Mrs. Marland: Yes.

Mr. Chairman: We will adjourn until after question period this afternoon.

The committee adjourned at 12:23 p.m.

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STANDING COMMITTEE ON PROCEDURAL AFFAIRS AND AGENCIES, BOARDS
AND COMMISSIONS

MEMBERS' PRIVILEGES

THURSDAY, DECEMBER 12, 1985

Afternoon sitting



STANDING COMMITTEE ON PROCEDURAL AFFAIRS AND AGENCIES,
BOARDS AND COMMISSIONS

CHAIRMAN: Breagh, M. J. (Oshawa NDP)
VICE-CHAIRMAN: Mancini, R. (Essex South L)
Bossy, M. L. (Chatnam-Kent L)
Marland, M. (Mississauga South PC)
Martel, E. W. (Sudbury East NDP)
McCaffrey, R. B. (Armourdale PC)
Morin, G. E., (Carleton East L)
Newman, B. (Windsor-Walkerville L)
Sterling, N. W. (Carleton-Grenville PC)
Treleaven, R. L., (Oxford PC)
Warner, D. W. (Scarborough-Ellesmere NDP)

Substitution:

Johnston, R. F. (Scarborough West NDP) for Mr. Martel

Clerk: Forsyth, S.

Assistant Clerk: Decker, T.

Staff:

Eichmanis, J., Research Officer, Legislative Research Service

LEGISLATIVE ASSEMBLY OF ONTARIO

STANDING COMMITTEE ON PROCEDURAL AFFAIRS AND
AGENCIES, BOARDS AND COMMISSIONS

Thursday, December 12, 1985

The committee met at 3:47 p.m. in room 228.

MEMBERS' PRIVILEGES
(continued)

Mr. Chairman: Let us call the committee to order. What we have on our agenda for this afternoon will be the deliberations on the matter of privilege that we heard this morning. There are no further witnesses whom the committee wants to call, so we are now in a position to deliberate.

Mr. Warner: Mr. Chairman, I have prepared a motion, copies of which are now with the clerk. I ask that the clerk distribute my first motion.

Mr. Chairman: Mr. Warner moves that the committee find that David Reville suffered a loss of privileges as a result of the actions of the Canadian Imperial Bank of Commerce.

The motion is in order. To facilitate matters the committee may want to do a somewhat larger report around that, but a motion at this stage serves the purpose of getting the discussion under way and giving direction to staff. You may wish to embellish it somewhat. This is a rather simple motion.

Mr. Warner: I am prepared to do that.

Mr. Chairman: You would be prepared to do that? Okay.

The motion is in order and is on the floor.

Mr. Warner: I did keep the wording simple. I was certainly presuming that we would have a complete report.

Like other members of the assembly, I spend a fair bit of time reading about privilege and trying to determine what is privilege and what is not. The part that is clear, whether you quote from Erskine May, whether you quote from our own parliament or from those of Australia or Britain, is the fact that when a member is intimidated or when authority is used against that individual in order to stop the member from discharging his or her responsibilities to constituents, that is a breach of privilege. That is clear.

What is not clear is how much jurisdiction we have if the act happens outside the House or how extensive the privilege is. It is very clear that if something happens within the House or its confines, privileges are breached. Direct things--if Mr. Reville had received a direct threat on his life or if someone had said, "If you are going to vote such and such a way, here is what we are going to do"--are fairly obvious.

This is not as clear-cut, but I put it together this way: the House does have before it first-contract legislation. The dispute in which Reville participated was a dispute directly connected with first-contract concerns.

Mr. Mancini: Mr. Chairman, on a point of order: I do not want to get into many technicalities here. First of all, the banks are covered by a federal law. Therefore, Ontario law would not impinge on this particular contract.

Second, I think we should get right to the heart of the question. I appreciate Mr. Warner placing the motion. I do not think we have to rehash everything that has been done today. We have to come to the point and conclude either that we support the motion or that we do not.

We have strong feelings on this matter one way or another, but to get into first-contract legislation and so on, with all respect, I think we know that. We should get right to the point: Mr. Reville's privileges.

Mr. Warner: I am not taking instruction from you. Thank you.

Mr. Mancini: I am just trying to--

Mr. Warner: I had the floor and I intend to put out my arguments for why I am proposing what I am proposing.

Mr. Mancini: I just tried to point out--

Mr. Warner: It seemed like a perfectly reasonable thing to do.

Mr. Mancini: I just tried to point out that first-contract legislation does not impinge on this.

Mr. Warner: The bank knew with whom it was dealing; this was not a stranger. The bank knew Mr. Reville was a member of the Legislature. It also knew that Mr. Reville had appeared on two occasions; it documented that. It also knew he was a customer from his business operation and that he had secured loans over a number of years. In fact, the bank states in one of its documents that he had been a satisfactory customer for 10 years.

It seemed clear to me that the bank knew precisely what it was doing. It took a direct action against the member. What is unclear from the testimony this morning is what its motives were. I will contend that the motive was to intimidate Mr. Reville, I suppose with the hope that he would stop participating, possibly that he would withdraw himself from the action that was taken by the striking workers.

I would submit that this then impedes Mr. Reville's responsibility to his constituents, constituents both in the narrow sense of the term, those individuals who live within his riding, and in the broader sense of the term, the people of the province of Ontario.

If we pay attention to the Legislative Assembly Act, paragraph 45(1)2 mentions "obstructing, threatening or attempting to force or intimidate a member of the assembly." If we look at the actions that were taken, without any forewarning by the bank, it is very clear that it wanted to effect a result. It would not have taken the action it did unless it expected to get something out of it. It was not being frivolous; it had something in mind when it started this action.

I will contend that by doing what it did it impeded the member in the discharge of his duty. It will be up to the committee to determine, first of all, whether there is a loss of privileges, as I believe there is, and second, what penalty, if any, should be imposed. I inform the chair that at the appropriate time I will introduce a second motion that will deal with the penalty. It obviously hinges on the passage of the first motion.

At this moment, Mr. Chairman, in order to allow others to participate, I would be pleased to stop. However, if anyone has questions about why I am placing this motion, I would be more than pleased to answer them.

Mrs. Marland: Mr. Chairman, I was hoping that the mover of the motion would say a little more than he did say, and maybe he still has it to say, because in describing his interpretation of Mr. Reville's responsibility to his constituents he has chosen to see Mr. Reville's responsibility to only one portion of his constituents, those who were either part of the demonstration or part of the greater body of union membership.

I should tell you, Mr. Chairman, that at the outset, when Mr. Reville made his announcement in the House about having received this notice, the letter and the other activity associated with it, my reaction as a member of the Legislature was quite severe. I was incensed, on the basis of what Mr. Reville said in the House, that he was being undermined as a member and was certainly being mistreated by the bank.

Having come from that point of reaction when I heard the announcement, I must tell you that I have now come not full circle but 180 degrees in the other direction. As a matter of fact, I was trying to see in Hansard whether I am correct. When Mr. Reville made the announcement in the House and read his letter from the bank, I do not recall him saying that the bank had told him that the status of his accounts, his loan, his mortgage and everything else, as we learned this morning, had in fact been reinstated as of the previous day. So I felt that Mr. Reville misled us somewhat.

Mr. Chairman: I am going to have to ask you to withdraw that.

Mrs. Marland: Sorry. All right.

Mr. R. F. Johnston: There is a strong disagreement between the bank and Mr. Reville on this point.

Mr. Warner: There is nothing in writing.

Mr. R. F. Johnston: Except for a memo from two days later.

Mr. Chairman: I would ask Mrs. Marland to withdraw that statement.

Mrs. Marland: My understanding is that when Mr. Reville made the announcement in the House, he did not also tell us then--perhaps I should put it this way--that on the previous day the bank had reinstated his business transactions with the bank.

Mr. Chairman: Just to correct the record slightly, that appears to be the intention of the bank. It is not clear whether that has actually happened yet.

Mrs. Marland: There is a letter in our material where--

Mr. Chairman: No, excuse me. There is not a letter in your material; there is a memo of one person's version of a telephone conversation.

Mr. R. F. Johnston: Written two days afterwards.

Mr. Chairman: Mr. Reville has not received in writing the intentions of the bank, and there seems to be some question about what exactly is happening there, what the status of it is.

Mrs. Marland: Oh. It would have been nice to have been able to ask the bank that, then, this morning.

Mr. Chairman: Yes.

Mrs. Marland: That is another point. If we wish to have any of the witnesses back, are we able to request that before making a decision?

Mr. Chairman: I am open to motions. I have a motion on the floor now that takes some precedence over that.

4 p.m.

Mrs. Marland: In looking at the subject, the motion that Mr. Reville suffered a loss of privileges is at this time, on the basis of the argument of the mover of the motion, one that I cannot support, because I happen to see that Mr. Reville had a tremendous responsibility to the people in that branch on those two occasions on which he rallied the troops, as it were. He had a tremendous responsibility to the people in the bank, who may also have been his constituents.

Mr. Chairman: We are having a little problem because you are arguing with Mr. Warner. We would like you to address the chair, if for no other reason than that Hansard would like to pick you up and we cannot hear you.

Mrs. Marland: I am sorry. I am not used to sitting in this position, and I like to watch the whites of David's eyes.

There are a number of very important aspects to being elected members of the Legislature, and I recognize in making this statement that I am one of the newer members of the Legislature who serve on this committee. However, it would not take me very long to recognize that being a member of the Legislature is a privilege. It is a privilege to serve the people of Ontario and it is certainly a privilege to serve the people of the riding that elects you.

It is a privilege we should not abuse. When I say we should not abuse it, that means we should not misuse it. It is entirely possible that in our fervour to support one issue or one segment of the society, we may be doing another segment of the society a disfavour.

I would suggest that when Mr. Reville's gave his speech to the people in the branch the day he ended with "Go for it," or some similar quotation--and we learned this morning from people who attended this event that the demeanour of the people who were demonstrating and the whole tone of the event were accelerated by the tone of Mr. Reville's statement--in accelerating the tone and the reaction of those people he was actually putting the public at risk.

I know that the bank in its reaction has publicly apologized and publicly admitted that its reaction was wrong, and the chairman of--

Interjection.

Mrs. Marland: I would appreciate it; I did not interrupt Mr. Warner.

Mr. R. F. Johnston: I am not interrupting.

Mrs. Marland: You are interrupting.

Mr. R. F. Johnston: Please. Just pay attention to yourself. I am.

Mrs. Marland: It is too small a room to have interruptions, Mr. Chairman, and I would appreciate your maintaining order.

Mr. Chairman: Do not push me too far on that, because your statements for the last three minutes have been mostly out of order.

Mrs. Marland: When Mr. Fullerton, the chief executive officer of the bank, said this morning that the bank admitted its reaction to Mr. Reville's involvement in the demonstration had been wrong--he admitted it was an error, he publicly apologized for its unfortunate lack of judgement--I agreed with him that his reaction was wrong. However, if I support the resolution before us, what I am saying is that I support the actions of a member of this Legislature of whose actions I am not supportive.

The bank at the time was possibly moving towards something of a crisis, and any of us who have been in a crush situation in a crowd know that the experience can be terrifying for people within that crowd. I recognize that on the day Mr. Reville addressed the crowd and accelerated its motion and its fervour, there were in that crowd people who had chosen to come and demonstrate, people who were employees of the bank and some other constituents. They may not have been constituents of Mr. Reville's riding, but they were constituents of this province. As a member of this Legislature I have a responsibility to those constituents and I feel very strongly that they were put at risk.

If we were talking about this situation today after someone had received an injury, or worse, as a result of the crush of 200 people in the bank whose mood was accelerated by the statements of a public figure, namely, a politician, I wonder how we would be discussing the matter before us. I suggest we may be fortunate that nothing worse took place than the excitement of a crowd, but we can look at reverse discrimination in a situation like this.

As members of the Legislature, we expect to be treated differently because we are members of the Legislature. Is that the question that is before us? If I choose to go to a bank and demonstrate because the bank has mistreated--

Mr. Chairman: I wonder if I could interrupt for a moment because you are getting out of order. The question you just asked is the question that is before the committee and, yes, members of the Legislature are different from ordinary citizens. Ordinary citizens do not have privilege; members of Parliament and of this Legislature do have privilege.

We have referred before us whether a breach of that privilege has occurred and I am going to ask you to speak to that. Whether you liked the speech is irrelevant; whether anything happened in there that was untoward or that you liked or did not like is irrelevant. The question before the committee is the matter of privilege and that alone.

Mrs. Marland: On that very point, you are going to have to tell me if members of this Legislature have privilege outside of the Legislature.

Mr. Chairman: That is a matter on which the committee has, on a previous occasion, established a precedent that they do. It does not mean you are bound by that precedent now but the precedent established by this committee was that statements made by a member as far away as Fleck Manufacturing near London were matters that were properly considered privilege. So the precedent in this House is yes, they do. That is not exactly everybody's consideration of it, but it is this committee's consideration.

Mrs. Marland: So the question that was in the House this afternoon about statements made elsewhere, outside of the House, could follow under that same--

Mr. Chairman: It is conceivable.

Mrs. Marland: My opinion is that, as members of the Legislature, we are bound to conduct ourselves accordingly, in the best interests of the people of the province, and as far as possible, not put at risk through our conduct any resident of the province.

Mr. Reville's choice of action and demeanour in that location at that time does not warrant my supporting the motion that he suffered a loss of privilege. Whatever he suffered, and there is no question that for a time he did have a grievance, he brought it on himself knowingly, not with one involvement but with two.

Mr. Bossy: I have a point of clarification on a statement you made, Mr. Chairman, concerning the reinstatement of Mr. Reville's accounts within the bank. There was a letter issued to Mr. Reville by double registered mail, and I have a copy in front of me, which says, "Your account with the Bay and Dundas branch has also been reopened." I can read the whole thing.

Mr. Chairman: On what page?

Mr. Bossy: On page 439.

Mr. R. F. Johnston: Dated when?

Mr. Bossy: Dated December 2.

Mr. Chairman: Yes, I might as well read this into the record. I want to point to you that the letter states the bank's intentions.

Mr. Bossy: It goes further than that.

Mr. Chairman: "I informed you that we would be reopening your accounts and that your demand loan and mortgage--

Mr. Bossy:--were restored to current and good standing with the bank. Your account with the Bay and Dundas branch has also been reopened."

Mr. Chairman: I agree that is the intention of the bank. It is my information that not all of this has happened, or at least it is open to question.

4:10 p.m.

Mr. Warner: To the point of order, Mr. Chairman, that is dated December 2. On December 3 the letter to Mr. Reville says, "We advise we will be writing to you shortly advising the current status of your banking business at this office." So overnight they had shifted ground.

Mr. Chairman: At any rate, to the point of order that has been raised, that is not exactly before the committee either. The status of his bank accounts is no concern of ours. What we have referred to us, and I know it is hard, is the matter of the member's privileges, not the matter of his bank accounts or their status.

We did hear testimony this morning that had a lot to do with the member's bank accounts, which are not the issue before this committee. I know it is hard to keep it out of your mind but I am begging you to try to keep to the narrow scope which has been sent to us by the House.

Mr. Bossy: I question that, Mr. Chairman, because of the fact that as we go through this entire plot, it is on the basis of that bank cancelling his business with them that he brought the action as far as his privilege was concerned.

Mr. Chairman: No. If I could be more specific than that, whether they did or did not, in the technical sense, is somewhat irrelevant. The notification that they intended to do something is what might constitute a breach of privilege. The ancient term of privilege is that to threaten or to intimidate a member is generally held to be a breach of privilege.

If someone holds up a baseball bat or a stick, as they did in ancient times, and threatens to beat you, it is generally held in Erskine May that you do not necessarily have to suffer the beating to have your privileges abused.

Mr. R. F. Johnston: Are you, therefore, also indicating that it does not matter whether restitution or attempted restitution was made following the alleged act of breach of privilege? It is a question of whether the action before us or the threat before us was a breach of privilege. Whether there has been apology made since is not the issue. Whether that action constituted a breach of privilege at the time it was referred to us is the issue.

Mr. Chairman: Essentially, yes. I know this is hard. It is difficult to sort it all out and to separate our feelings about many things. Strictly speaking, the question of privilege is: Did someone attempt to intimidate a member? That is the breach, if such a thing occurred.

You cannot draw good analogies here but if you beat somebody up and you stop beating them, in essence, you have not committed a crime. If you threaten someone but you do not shoot them, the threat is what would be considered the breach of privilege. It is a little difficult, I admit.

I am trying to point out that we have a narrow frame of reference, the question of privilege, which was raised by the member. I cannot keep this other information out of everybody's mind, but I am trying to get you to focus on the matter referred to the committee.

Mr. Morin: I feel that any motion that might be passed at this time or any decisions made at this time would be premature. It is a very serious decision to make. It will affect all parliamentary procedures across Canada.

May I make the decision that we consult experts in that field? I think of Joseph Maingot from the Law Reform Commission. I think of Dr. Dawson from Western University. I also think of

Stanley Knowles. We could possibly consult him. Let them explain to us what parliamentary privileges are all about.

Frankly, I am not in a position to make a decision before somebody advises me properly. This is the suggestion I would make before we do anything.

Mr. Treleaven: On page 12 of our briefing notes it says that Mr. Reville "felt that his privileges as a member had been breached." This is referring to the situation in the House when he stood up on a point of privilege. Mr. Warner's motion just states that Mr. Reville suffered a loss of privileges. It does not say "as a member." I do not think the motion is well worded and I would probably vote against that motion on the basis that it is incomplete.

Mr. Warner: Would you like to help patch it up?

Mr. Treleaven: A differently worded motion might find a different attitude on my part.

Regardless of that, all the precedents we have been supplied with seem to state that the question of privilege or contempt of the House relate to a member's duties in parliament or his duties carried out as an adjunct to parliament as contrasted to his constituency duties.

If you remember the precedent that was pointed out to us of the federal member who got into a tiff in front of an agency, board or commission, it was well set forth by the then Speaker that there was a great difference between a member's parliamentary duties related to voting in the House, speaking in the House or some such thing, as compared with a member's constituency duties. While she was carrying out her constituency duties, the member got into a bit of a flap, but the Speaker said she was there as an ordinary citizen. She was carrying out her constituency duties but as a private citizen, not as an MP per se carrying out parliamentary duties.

I have a problem here with what Mr. Reville was doing in connection with the bank and with these episodes at the bank. As far as I can see, he was there as a private citizen. Maybe he felt he was carrying out some constituency duties. He probably would not have been there if he was not an MPP, but he felt it was an extension of his duties as an MPP in his constituency.

It is the same if a member appears before the Social Assistance Review Board or the Workers' Compensation Board. The member is still there as a assistant, as a member of the public. I do not think Mr. Reville was down at the bank as part of his parliamentary duties. Unless somebody can help me over this hurdle, this distinction between parliamentary and constituency duties, I cannot support the motion.

Mr. Chairman: Let me try to put what might be some refinements on this. I tend to agree that the motion could use a little rewording. You may want to do that. I was happy to entertain the motion, because I think it allows us to focus.

This is a decision the committee has to make. Mr. Reville feels that was part of his role as a member of the provincial parliament. You may feel that was something else. To state the facts as we have heard them this morning, (a) he was there because he was a member, and was invited as a member of this parliament to address that group; (b) he felt that his ability as a member of the Legislature was somewhat inhibited by the actions of the bank; (c) it is fairly clear from testimony this morning that the bank was aware that he was a MPP and had identified him as such at its first observation of him.

I am not asking you to agree or disagree. I am simply trying to state that from the point of view of the member who raised this as a breach of privilege, he did so as a member of parliament. He feels his actions were as a member of the Legislature. The bank was aware that the reason he was there was that he was an MPP.

You do not have to agree with any or all of that, but that is why we have this as a point of privilege. The Speaker has ruled that there is at least enough evidence to indicate that we ought to consider the matter. You do not have to agree with it, but you do have to consider it.

Mr. Mancini: I agree that this matter has to be looked at in a very narrow forum. I apologize to my good friend from Scarborough if he felt I was instructing him. I was not.

After having taken a good look at all the documents here, I feel that Mr. Reville's privileges were abused. I hold that conviction for two reasons: (a) the bank knew of Mr. Reville's position as a member of the Legislature; (b) after knowing that, it took these very severe measures against Mr. Reville. The chief executive officer of the bank acknowledged the severity of the measures by, first, apologizing in public and, second, trying to undo everything that was supposed to be done in regard to Mr. Reville's banking activities.

4:20 p.m.

I would, however, be willing to listen to parliamentary experts, as has been suggested by my colleague Mr. Morin, to get their views. If there is tremendous parliamentary precedent they could place before us that would lead us to consider other items, I would be willing to consider any information they could place before us. As has been stated earlier, this is a very serious matter. I have stated clearly what my own views are. At the same time, I would be willing to listen to others.

Mr. Chairman: That would normally be a process we would go through. Several of us have reviewed Erskine May and Beauchesne and everybody else to find precedents in this regard. There are very few. There are not many in recent times, not many in this jurisdiction and none that offer a great deal of guidance.

It may be the committee's decision not to make a decision. It would not be the first committee in the history of this House that has made that move. If you are searching for great precedents, you will not find them. There is nothing that falls

quite within this type of question of privilege. While I am certainly not opposed to hearing experts and all sources, I can report to the committee that the precedents you search for are not there. The precedents, of course, would be guidelines for us.

You have a decision to make based on the information we now have. We can hear from all kinds of people but, frankly, I do not believe you will find what you are searching for. You are in a unique position and you will have to make a decision based on the testimony that has been provided to you this morning and the information that has been given to you over the last few weeks.

Mr. Warner: It has been raised twice now and I appreciate that, but members should also keep in mind, as stated by Erskine May, that a committee of the House, in determining whether a privilege has been abused or broken, does not require a precedent. He states that very clearly.

Whenever we are faced with matters of privilege or other concerns with respect to procedural affairs, we automatically look at precedents. That is a natural thing to do. It is not obligatory for us to have a precedent in order to deal with this situation, which is, as the chairman has remarked, unique. That may have clouded our minds a bit.

Mr. Mancini: You are correct. At the same time, it would not hurt to hear the opinions of some esteemed parliamentarians, people who have great knowledge in this area. As I said earlier, unless I can be told otherwise, I pretty well have my mind made up, but I am willing to listen. I do not want the committee to be accused of failing to try to obtain information that may be available and that we may think is not available. For us to take that extra step, if it is there we will use it; if it is not, then we all have to make our personal decisions.

Mr. Chairman: I just want to report to you again that, since the matter has been referred to the committee, I have spent a fair number of hours going over where we might likely find precedents. I can find none; hence, you have none in your agendas.

What information you can get, you have. It is fine if you want to hear advice from other people, but you will not find precedents. At least I have not found any in two or three weeks that tell the committee, "This is what you should do." You are breaking new ground.

Mr. Morin: At least we will have the satisfaction of saying to ourselves that we have searched and consulted people with knowledge. That is going to help me to make up my mind. I am at a loss at the moment to make up my mind. I cannot. At least if I could hear experts, after that it would be my decision.

Mr. R. F. Johnston: It is a hard decision to make, because it has major consequences. There is little doubt about that, and I can understand the reluctance of members to grab the bit between their teeth and their feeling that they should get some extra help. Maybe we can dig up Erskine May or Beauchesne to give us the definitive word on this.

I do not think we are going to get that kind of assistance. It will more likely be the opinions of other people, which may or may not help members settle in their own minds where this should go. Speaking personally, I am very much in favour of the motion, however we wish to amend it to make sure we are talking about David Reville, MPP, and his member's privileges that have been lost, rather than other things. I think that friendly amendments to this effect would be accepted by the mover.

There are a number of reasons that I feel strongly about this and feel we have to consider it as a matter of privilege. Mr. Mancini raised a number of them, and I agree with his analysis, essentially, of why we have to look at this.

The bank has already admitted wrongdoing. It has never alleged that any action on the part of Mr. Reville was contrary to the law or incited dangerous acts or anything like that, on which it might have wanted to take action. I would suggest to Mrs. Marland that if those kinds of situations had taken place, the bank would have found some other more immediate legal remedies to deal with them and we would not be dealing with the issue here as a matter of privilege. Rather, the courts would deal with it as a matter of law and Mr. Reville would have to deal with it on that basis.

The question of what the bank did after the initial sending of those letters is not what we have to focus on at this point, even if it shows some sincere regret for what took place. Rather, we have to look at the action that took place and at the threat that was involved and ask, "Did it or did it not affect the member's privileges?"

Therefore, I would suggest that the point made by the member for Oxford (Mr. Treleaven) is a very important question: When are we undertaking parliamentary activities, in which privilege can rightfully be seen as being in jeopardy, and when is it just something we are doing as private citizens or in some other kind of function having nothing to do with our parliamentary duties?

That becomes a difficult question to deal with and one that I think is very dangerous. Knowing my opinions of the banks, etc., I find it a little awkward to speak with total objectivity, but I will try. People should look at this circumstance as if it were not the bank that was involved and as if it were not this specific act that had taken place, and they should try to imagine it in another perspective.

To illustrate for Conservative members, if you had gone to address a businessmen's luncheon someplace, you would see that as part of your parliamentary duty. Businessmen are a constituency natural to your party's philosophy. You would consider it important that they know the public policies of your party and your own views. You would want to talk to them.

If in going to that meeting you were threatened by picketers of a local union that was perhaps against the businesses that were involved, and if you were actually stopped from making that speech, I think you would feel that this was an obvious threat to your privilege.

If, on the other hand, it was an organization whereby the union or another party to the situation could somehow have an effect on you--for instance, if it were a police union or something like that which was opposed to your going to speak to their management, and if you were then followed around and given tickets on a regular basis by offended members of the union--I think you would again be right to say that this offends your privilege, that it is an attempt to stop you from doing what you feel is your right as a member: that is, to express your views on public policy and to make your views known.

4:30 p.m.

I have a great deal of sympathy for Mr. Reville's position on this because I myself have spoken to many kinds of demonstrations, some of which members might have thought were part of my parliamentary duties, but which I determined were.

This becomes a very important point, and the chairman, in a way, alluded to this indirectly. Ultimately, the decision regarding what is your parliamentary duty is your professional decision. That is number one: The members have to decide what they feel is their duty and what their appropriate function is in representing their constituents or the general policy and views of their party. It then becomes a difficult matter for the rest of us sitting around to decide whether the judgement of a particular member at any particular time was appropriate.

For instance, I have spoken to anti-nuclear rallies around nuclear disarmament. It has been argued in this very House, against views I hold, that there is no place in the Ontario Legislature for that kind of debate, that that is outside of my mandate as a provincial parliamentarian.

I believe it was my duty to do that, and if I had received some kind of threat from another organization opposed to those views because I had done that, I would have come before this House asking for consideration by a committee such as this that my privileges had been abused, because I believed that was what my function was as an elected representative at this level.

Therefore, the distinction that is being made in some people's minds about whether the Canadian Imperial Bank of Commerce and our first-contract legislation mix because they happen to be federally chartered is, in my view, an irrelevant question.

The concern we have to deal with is whether the member believed he was there acting as a parliamentarian and not on his own. He was invited as David Reville, MPP. He was representing our party on views around first-contract legislation--which are identical federally and provincially, I might say--and he was doing so in a way that he felt was important.

If you look at yourselves and your own particular backgrounds, whether it is your support for tobacco farmers, for auto workers in Windsor or for francophone rights in an area of eastern Ontario--whatever your particular cause célèbre may be or

whatever particular groups you really feel strongly about working with, even if they do not deal with something that is specifically provincial legislation at that time--if you wanted to go and support them and work with them, you would feel it was part of your duty as a member, part of your parliamentary responsibility that you should do so, why you were elected, the kind of voice you wanted to represent and the fact that you have a voice.

That is why this is different from the question of whether the bank has actually offended the individual civil rights of all the workers involved, as I believe it has. However, that is a separate issue from the privilege we have because we are elected and have been given a special voice in Ontario to use as we see fit and for which electors will hold us accountable later on.

For that reason I think Mr. Reville was acting as a parliamentarian. I look at what was done to him and I say that this was not the closing of a penny account or a \$1 account; this was a threat to his own personal economic wellbeing. I know from very personal conversations I had with him the day he talked to Mr. Barrett on the phone that he was very worried about what was going to happen with his mortgage, very concerned about the effects this could have on his family and, in fact, leery of even raising the issue before the House before he had some sense of whether he would be punished further economically if he did so.

All members should think about being put in his place, whatever cause you really feel strongly about and would be out there talking about. If you then were given that kind of letter, would you not consider it a threat? Just stopping a nuisance activity like the \$1 account might not be. However, is a direct threat to you in your personal life as a means, a power that that bank in this case--or that organization, as it may be in another case--would have over you appropriate in terms of you expressing not just your own civil rights and freedom of speech but those extra rights we have as members to speak on behalf of the views of our party and those of our constituents as we interpret them and as we see them to be important?

If you look at it in those kinds of terms, in terms of how you might be caught in another kind of circumstance, you will have to find that Mr. Reville's privileges were abused. After that you then have to decide whether you wish to go any further with it. However, in terms of whether this was an attempt to affect his capacity to operate as a member, I do not think you have any choice but to find on that side.

Mr. McCaffrey: I am not the least bit surprised that Mr. Johnston's comments were thoughtful and make one think, because I know and respect him and I would like to try to respond to some of the important he raises.

Let me be clear. I do not support the motion on the table now, however it is finally worded to reflect the fact he is an MPP, etc. I do not think David Reville's privileges as a member of the provincial parliament have been in any way undermined by the actions of the bank. When I say that I know we are talking here about judgements made by the bank in its tactics, its timing and

subsequent changes of heart. Judgements have been made by members, too, about how they as MPPs will show their belief in and support of causes.

Mr. Chairman, I am not the only person who has seen your own leader, Bob Rae, protest along with others the position of this very bank and lead parades; I do not know whether it was on Yonge Street or somewhere. I think he not only has a right as an MPP to do that, he also has a responsibility to do that, and I support it. That is not the issue. The issue is the responsibilities that MPPs have while championing a cause they deeply believe in.

I would just submit that Mr. Rae, perhaps others in the New Democratic Party caucus and perhaps others in each of the three parties--I do not think this need break down on a party line; it may seem to be doing that, but it need not--determine how they can best speak to the merits of the issue.

As I look at the evidence we heard today and at press reports earlier, I would be hard pressed to think that Bob Rae would have stood and addressed 200 people in a bank that was perhaps--I do not want to overdo this--dangerously overcrowded. I do not know that Bob Rae or other members of this assembly would have encouraged people to slow down the process to such an extent that bank customers--some elderly; some, I am sure, not elderly--were precluded from going about their daily business. The evidence seems to suggest that there were people--staff and others--who were frightened by the events.

Mr. Reville had to know, and I think it was his responsibility to know, what the bank and others discussed today: that the frustration behind the issue had built over the months from June on. Mr. Barrett was forced to make some judgements. I do not know the gentleman other than from his testimony here today. It seemed to me that he was on the spot. He seemed like a reasonable person looking at some people who had assembled outside. He thought customers were being harassed. He thought there were some staff whose safety might have been threatened. He was aware of the fact that damage had been done. Reference has been made to dead fish put in safety deposit boxes. That this thing was escalating was self-evident.

It seems to me that if David Reville, as an MPP, had spoken to the crowd and had spoken as passionately as he chose to do to the crowd, it not only would have been within his rights but would have been exercising his responsibility to say to them:

"Let us prevent any damage being done in this or any other branch of the Canadian Imperial Bank of Commerce. Let us address the merits of the issue, the first-contract legislation. Let us see that we do not today or in the future harass other people who are customers of this bank. The merits of the case will stand. Let us see that we do not dangerously overcrowd this particular small branch."

Did he have the responsibility to do that? Yes, I think he did. Did he have the right to be there and speak? You are damn right. I think he did do that. He exercised some judgements, and I

would have thought that Mr. Rae and others who have taken part in those kinds of protests looked at the same circumstances and exercised different judgements.

Mr. Barrett sees a man and knows him to be an MPP speaking to this crowd. The gentleman has been concerned. He acted in a way that he probably wishes now he had not. However, I do not think David Reville's rights to lead and to be part of a group protesting and to be identified with the merits of a case were jeopardized in any way, shape or form.

4:40 p.m.

His responsibilities as an MPP might have led him to exercise a little bit more leadership with the group, encouraging them to address the merits of the case and to be extra careful in the way they treated both staff and customers in that and in other branches.

I do not think his rights as an MPP have been jeopardized in any way, shape or form although, like other members of the committee, I would be prepared to hear more evidence. At this stage of the game I do not think he has suffered anything under our parliamentary traditions.

Mr. Chairman: We are into our second round here, but I am prepared to do this.

Mr. Treleaven: I have two matters, Mr. Chairman. First, on the matter of getting experts, I must assume that our staff of clerks is very competent to be able to pull out the precedents and to read Erskine May, Beauchesne and so on. The chairman and I and a good many others have hit the same books. Frankly, I do not feel that the committee should go running for experts to get opinions from people who will read the same books or who are quoted in the books. Joseph Maingot is quoted in the precedents we have looked at.

I am not sure we need to go running for other opinions. It is our opinion; the buck stops with us as far as what we report back to the House is concerned. It is our opinions, based upon what the clerks have given us and on our own good common sense, that should guide us and get this matter over with rather than drag it out over the months and into the new year getting experts.

Second, it is quite clear from our precedents that if a member receives a letter stating, "You are going to get beaten up" or "I am going to beat you up if you support Bill X in the House," this is intimidation, breach of privilege and so on. It certainly qualifies.

I was sitting here thinking of four different situations I have been in to try to get some extremes. Suppose that I or any other member went to Moosonee with this committee to the James Bay Education Centre. Let us say I got into a punch-up at the meeting up there. Some fellow beating me up because he does not like southern Ontario politicians in general, or whatever I was saying in particular, might possibly be a breach of privilege because I

am there. In all these cases I am going to say I am there because I am an MPP; if I were back practising law in Oxford, I would not be at any of these places. So possibly there may be a breach of privilege. We are getting closer.

Take the next one. I was Deputy Speaker. I went down to a restaurant with our clerk of the committee to entertain some Newfoundland MPPs. Let us say I had got into a punch-up there. Possibly. I am there as an MPP and as Deputy Speaker. Is it my parliamentary duty?

Take the Gardner-Denver Canada Inc. demonstration, an information demonstration, if you will. I am out in front of the demonstration with them. It was over the Employment Standards Act. I am marching around with them. If I get my head punched, if I am threatened or whatever, I am there of my own volition. I do not think I am there as an MPP. I am not there on behalf of any union or anybody else but to show my support for certain constituents out there who I think are getting a raw deal. I do not think it is my parliamentary privilege that is being hurt; I do not think I am there on parliamentary duties. I am there because I want to show support for some constituents.

In the last example, which is the furthest away, I am at the Oxford Progressive Conservative Association meeting.

Mr. R. F. Johnston: You will probably get in a fight there.

Mr. Treleaven: Yes, sir. I get in a fight there and I get threatened. I think I am there because I am an MPP; I probably would not be there if I were not. It is certainly not part of my parliamentary duties. It is certainly a select group of constituents. In that case also there is no question that I am there as part of my parliamentary duties.

I have taken these four steps further and further. Only in the first one, at the James Bay Education Centre with this committee, am I possibly carrying out my parliamentary duties. In that case it may be privilege. In the others I say I am there as an ordinary citizen. I may be showing support for my constituents, but I am not carrying out anything parliamentary over which I have no control or choice. I am there by my own choice and volition.

Mr. R. F. Johnston: Are any of these hypothetical, or are they all real?

Interjection: They are all real.

Mr. Treleaven: Everything but the threats.

Mr. Mancini: First of all, let me say that I firmly believe a member of the Legislature is a member of the Legislature 24 hours a day. I do not think there is any particular point when we can say we are not members of the Legislature.

Mr. R. F. Johnston: Phone calls at home.

Mr. Mancini: As to the question of whether we should hear parliamentary experts in reference to the comment made by my friend from Oxford, I just want to remind him of today's question period where the official opposition criticized the government for not allowing Dr. Shapiro enough hearings to obtain information. Now that we, as a committee of the Legislature, wish to hear at the most maybe two or three individuals, you are criticizing us for wanting to obtain more information. I find that somewhat contradictory.

Mr. Treleaven: Are you ever stretching that.

Mr. Mancini: I wish to state very clearly that if Mr. Reville was doing something wrong or illegal at the bank, the bank had civil remedies. The bank could have obtained an injunction. It could have tried to press civil charges of trespass or anything else against Mr. Reville. It had the opportunity to use civil law, but chose not to use that particular opportunity. It chose to take what even the chief executive officer of the bank has admitted was a serious, severe and in retrospect, wrong action.

I do not know how the members of the Legislature feel about having notes called or business cancelled in such a sensitive area. I know I am going over old ground, Mr. Chairman--it will be the last time I do that. I just want to return to the fact that the bank knew who Mr. Reville was. It had other opportunities to remedy what it considered to be, in its view, a bad situation. It chose not to take those other opportunities. It chose not to go to the courts, but to take direct action against a member of the Legislature.

In fact, I find that somewhat intimidating. That is one of the reasons, probably the major reason, why I am in support of finding that Mr. Reville had his privileges breached. Without making the discussion any longer, I wonder if we could canvass the committee at this stage to see if we could get support to hear a maximum of three parliamentary experts as soon as possible.

Mr. Chairman: I will entertain that thought later on.

Mr. Warner: I am going to back up a little bit in this thing.

Mr. Chairman: Can I just intervene. We have been around the room once. I am prepared to hear supplementary arguments, so to speak, but I would like them to be as brief as possible.

Mr. Warner: I will. What I was going to say is that in the other items which have come before this committee, we have made a vigorous attempt to reach a consensus. It has been a rare occasion when we have ended up with a division in a vote. I will do everything I can to try and develop a consensus. I am sure there are other members who have the same concern.

The essential problem is the definition of privilege. Some view it in a very narrow way, and some view it in a very wide way, but I start with the standing orders, which is probably a good place to begin.

Standing order 18(a) says, "Privileges are the rights enjoyed by the House collectively and by the members of the House individually conferred by the Legislative Assembly Act and other statutes, or by practice, precedent, usage and custom."

4:50 p.m.

It seems to me this provides the widest latitude possible. It does include what the member for Armourdale (Mr. McCaffrey) raises. Inherent in all our practices is the essence that you have certain privileges, but with them come certain responsibilities. If a member does not fulfil his or her responsibilities he probably faces a double jeopardy because he can be dealt with by both the assembly and by the court. There was a member of this assembly who faced expulsion and losing his seat, and at the same time faced a court proceeding. Members understand the concept of responsibility being tied to privilege.

Having reviewed the matter, I cannot conclude Mr. Reville did not exercise responsibility as he attempted to exercise his privileges. That is my view. I am willing, as Dick mentioned, to rewrite the motion. It was hastily drawn, but the intent and principle are there and certainly you have to add "as a member of the Ontario Legislature and its parliamentary privileges." I am prepared to tidy that one up.

I also note, and other members should as well, that when the bank stated to us it was a mistake, it was not a mistake in terms of an 'accident.' An accident had not occurred. It was a mistake in judgement called to their attention after publication. We should further recall this is not the first time for Mr. Fullerton. In 1979, the Canada Labour Relations Board ordered Mr. Fullerton to offer a complete and full apology to all his employees by letter because of intimidation. The board said the employer wanted to intimidate employees who had exercised their rights. That was Mr. Fullerton.

Mr. Chairman: I am going to intervene for a moment to point out that is also out of order. That is not before the committee.

Mr. Warner: All right. I recognize that.

Mr. R. F. Johnston: He was trying to make the point that Mr. Fullerton did apologize that time too.

Mr. Warner: The reason I raise it is that when he used the term "mistake," it has many different meanings or connotations. One is that it was an accident. "Oh, I made a mistake, an accident." It was no accident. The mistake was a mistake in judgement and why? Because it was a member of Parliament who then brought it to the attention of the House and subsequently it received all the press coverage. We have to keep that clearly in mind. This was a deliberate act by the bank. They ran certain risks and knew full well the potential consequences. If in our deliberations we do not contend a loss of privilege occurred, then it may well cause concerns and problems for all of us in the future, depending on how actively or inactively we fulfil our roles.

If members require more time to either deliberate on their own or to seek out further information or advice from other sources, I am prepared to stand down on the motion or hold it over until next Thursday. What I am saying is that I feel strongly about the motion and my position. I think it is right; otherwise, I would not have put it forward. But in an effort to reach a consensus on this I would be prepared to set it aside for a little while and let members cogitate on the matter.

Mr. Chairman: I did not hear you say you are withdrawing your motion.

Mr. Warner: No, I wanted to hear from other--

Mr. Chairman: I heard you fishing around to see whether you should withdraw your motion.

Mr. Warner: Yes.

Mr. R. F. Johnston: I want to make one comment in response to Mr. McCaffrey's good argument, to return the compliment. I like the logic of what you are saying right up to the point where you say it was his right to be there, in fact, his duty to be there if that is how he interpreted it, etc.

The difficulty I have is with the next portion of why you then separate yourself from it, which is in the hindsight of the judgment about whether or not he was inciting in a sense or being more provocative than necessary or not cautioning. The difficulty I have with that is that we would then want each of us to write the speeches that the members would be able to give as they are exercising their duties. We obviously, as our traditions are, would not want that in reality.

We may question whether or not we would have done it the same way another member would have, as you did comparing Mr. Rae and others in terms of whether or not they would do it that way, but it does not infringe upon the essential question about the privilege that was involved, unless it had been something that was illegal, that had caused the harm that Mrs. Marland, for instance, was concerned about.

In that case, there would have been a lot of legal remedies that would have been taken and we would not be dealing with this issue here at all. Because those things did not take place, you cannot add that 20-20 hindsight about how the speech might have been given to our considerations of the privilege.

Mr. McCaffrey: Just briefly, I respect that and Mr. Mancini also touched on a similar point. I understand, and please correct me if I am wrong, that Mr. Barrett, the manager of the bank, seeing Mr. Reville speaking to the group and having been part of the protest, inquired of the police whether there was something that the police could do. That is my understanding from this morning's testimony. The police said there was nothing they could do because the law was not being broken.

Then that gentleman, rightly or wrongly, had to make a judgment that because Mr. Reville had an account there he was therefore not trespassing. This was the crux of his decision, his judgment. He thought, "I will close this guy's account. Then for him in the future to be here is trespassing and then the police can do something." I am not passing judgment here. I am saying he had to make a call.

He may have felt there were some people who were being harassed or maybe he had just had a bellyful of the whole thing. Whatever it was, he was thinking, "What the hell can I do?" He asked the police, who said, "Nothing. He is a customer of your bank. He is not trespassing."

The branch manager's thought was, "Close the account. He therefore would no longer be a customer. I would have access then to the civil authorities to help in what I judge is the need for some peacekeeping." That is my recollection of how this was done.

Mr. Mancini: Where the bank probably made their mistake was in not consulting with their legal advisers. I am sure they could have advised them at the time that they could have sought an injunction to prevent certain people from being there other than when they are--

Mr. Chairman: Mr. Mancini, we cannot hear you.

Mr. Mancini: I am sorry, I just wanted to answer directly to Mr. McCaffrey. I was just saying that I do understand the pressure that Mr. Barrett was under, but I think if he had sought the advice of the legal advisers, the counsel paid for by the bank, that he would probably have been given several alternatives of how to deal with this matter. The matter of trespassing and other things--I accept what Mr. McCaffrey says. I think there probably could have been several alternatives for the bank to consider, but it did not even take that step.

Mrs. Marland: In fact, to deal with the Trespass to Property Act was not an opportunity the bank had. The Trespass to Property Act is extremely clear. We are not trespassing unless we are given prior notice. In that situation, because the bank did not know that Mr. Reville was going to come in and behave as he did, they would have had no reason to give him prior notice that he would be trespassing. In fact, we can go anywhere we wish and if we have not been given prior notice, we are not trespassing. That is how the act works. That remedy to the courts that you see as another opportunity for the bank, in fact, does not exist.

5 p.m.

Mr. Chairman: Perhaps I could just clarify a bit here. I am sure you are interested in this since you are all discussing this. Simple notice is required under the Trespass to Property Act. A bank, like any store or anything else, is part of a public place. The public has the right to enter into a public place. The Trespass to Property Act comes into effect when you are notified in writing that you cannot come here any more. Many of us would be familiar with the picket line situations in a labour dispute where notice is served that the picketer cannot come.

The second stage of that would be if a police officer felt that some criminal act had occurred. He may attempt to prosecute for the criminal act or he may also go to a justice of the peace and get a simple injunction that says, "Despite the fact that you have a legal right to picket, you personally cannot picket." Again, a legal notice is given. So there are some variations on that.

Mrs. Marland: The interesting thing is that the police themselves have no right to enter on to private property unless there is an indictable offence taking place.

Mr. Chairman: Reasonable thought--

Mrs. Marland: That is what I am saying. They have to have evidence that the offence is taking place and trespassing is not an indictable offence. Therefore, unless the property is posted that loiterers are trespassing or people with green hair are trespassing, no posted notice is given and no written notice is given to the individual. That remedy was not available to the bank.

I agree with Mr. Morin's concern about us making a decision based on the information that we have. We are fortunate in the room because we do have two lawyers or former queen's counsels, however you want to describe them--

Mr. Chairman: In another light.

Mrs. Marland: But the rest of us are not and I do not think the rest of us would even pretend to know what all the legal ramifications are. The matter before us is extremely grave and it is extremely serious and I agree with not supporting the motion with the amount of information we have at the moment because of our limitations. As great as our abilities are, we certainly have limitations. To make a decision of this gravity just simply to protect a colleague, and I do not think there is any one of 125 people in the Legislature who do not want to protect our colleagues, is to risk making the wrong decision.

Are we saying that, in fact, we are to support the actions or are we indeed responsible for the actions or the behaviour of each one of us outside the House?

Mr. Chairman: No, that is not the question before the committee at all.

Mrs. Marland: No, but if you interpret this whole aspect of privilege, are we also saying that if our privileges, as you said, do extend beyond the House that has me thinking, "Are we responsible for the private business transactions of each other outside the House, even if our actions put in jeopardy the public or another colleague?" The ramifications of this are tremendous.

I do not agree that we are acting responsibly if we put the public at risk by any of our actions. Even inciting a crowd is certainly--

Mr. Chairman: Excuse me, none of that is before the committee. I am going to have call some people to order.

Mrs. Marland: Excuse me, it has to be. The evidence leading up to whether or not his privileges were removed is before this committee. Therefore, the actions that were involved in the whole incident are before the committee and the actions involved--

Mr. Chairman: No. Let me try once again. I appreciate that this is a difficult thing to do. One of the reasons, in our deliberations and in preparing for the hearings, that we chose not to hire legal advice is that there is no legal advice available in the matter. Legal advice is irrelevant in this particular instance.

What is relevant is parliamentary practice. We did research that. I want to point out to you that in our previous report on privilege we quoted Erskine May, who acknowledges that there are no limits, physical, mental or emotional, to the matter of privilege; none.

The House has directed this committee to hear this matter of privilege. That is why it is here. At stake and at question is whether a member's privileges have been breached. That is not to suggest for a moment that you can ignore all the other information that has come your way in the last couple of weeks. You probably could not do that. However, I plead with you to consider only the matter of privilege, and not whether you agree with what he said, what he did or what might have happened.

For example, we have been somewhat unfair today. One set of witnesses has been allowed rather complete access to the committee to provide its version of what has happened in all this.

Mrs. Marland: Exactly.

Mr. Chairman: They have done so. To be absolutely fair, we would now have to open this up and listen to all the people who are on strike, to all the unions that want to make representations to you, as I am sure they do, about whether their people were being treated fairly or unfairly.

I have allowed certain papers to be presented to the committee because the committee asked for them. I tried to caution you that this is not what is really at stake. I cannot prevent you from reading them or being affected by them. What is at stake is a simple thing. It is whether some member of the Legislature has felt intimidated by an action taken by another group; in this instance, a bank. I know it is tough to focus on this, but that is precisely and squarely what is in front of us.

Mrs. Marland: Mr. Chairman, you just said something that was very relevant when you said that in this matter before us today one party was able to have full input to the committee. I am trying to remember exactly what you said. I would go further and suggest that one party in this issue indeed had tremendous access to colleagues in the Legislature. Comments were made earlier today that were supportive comments, and I understand and respect them,

from colleagues who have had an opportunity to discuss the details of the incident with Mr. Reville.

I have not discussed it with anybody, as I mentioned at the outset today. I have not even discussed it with any of my own colleagues. I have not discussed it with the bank or with Mr. Reville. I came today with an open mind. If I was favouring anyone, it was Mr. Reville. I have listened without the benefit of any inside or more detailed presentation from Mr. Reville that I might have had had he perhaps been a member of my caucus. It would be rather interesting to sit down and spend some time with the people at the bank and hear their side fully, as I would have sympathetically heard from one of my colleagues.

I do not feel that as a member of the Legislature I have privileges over the public. If we are talking about privilege here, then we have to respect our privilege and the privilege of the public.

Mr. Chairman: Can I stop you there for a minute? The reality is that you do. You can say things and do things that other members of the public cannot say and do. That is what privilege is all about. The members of the House--

Mrs. Marland: Where?

Mr. Chairman: The members of the House have a thing called privilege that members of the public do not have.

Mrs. Marland: Where?

Mr. Chairman: There are no limits to it.

Mrs. Marland: Locationally?

Mr. Chairman: No limits to location and no limits to what goes on. This committee will decide at some point whether a breach of those privileges has occurred.

Mrs. Marland: Are you saying that I have the choice to be anywhere at any time and behave according to my judgement, and then it must follow that I should be prepared to accept the consequences of that behaviour? Are you saying that because I am a member of the Legislature, I can go out and behave in a style contrary to that of the public? Are you saying that this privilege protects me and does not protect a nonelected person?

Mr. Chairman: For example, the privilege a member enjoys does not cover any criminal act. That is clear.

Mrs. Marland: That is right.

5:10 p.m.

Mr. Chairman: However, it does protect you against any kind of civil or other noncriminal act. It protects your right to speak freely in the Legislature. This committee has held that to be a precedent elsewhere and so have other parliaments. It goes

back to a funny old idea where they actually used to beat on people's heads as they walked into a parliament. That is how privilege occurred. You have a right to say things in the Legislature that an ordinary citizen could be sued for if he said them.

Mrs. Marland: In the Legislature.

Mr. Chairman: There are no limits to it. You do not have to be physically in the building or in the Legislature. This committee has established that precedent. You may agree or disagree with that, but I am just quoting precedents.

Mrs. Marland: I understand that in Canada, fortunately every individual has the right to freedom of speech. My rights and the public's rights are the same. You are saying that privilege as to the consequence of a speech is greater for me than for a nonelected person.

Mr. Chairman: The privilege you enjoy as a member of a parliament is the privilege to speak without being impeded, intimidated, sued or whatever by others. That is not a right that is enjoyed by every Canadian citizen.

Mrs. Marland: You are telling me that I can exercise that right and be protected outside the House.

Mr. Chairman: Yes. This committee has held that.

Mrs. Marland: It would be rather interesting to know whether that has also been held by the courts of this province or this country.

Mr. Chairman: This is a frightening thought. At this moment on this particular matter, the highest court in Ontario is hearing it; it is this committee. The higher court is the Legislature itself. No other court has jurisdiction over us. We are, if I can quote Erskine May, "invoking our penal jurisdiction." It is not something we exercise every day of the week, but it is something we do have, however uncomfortable you might feel with it.

Mrs. Marland: Can we be very clear, because I find it rather ludicrous? We are saying that we are allowed to behave irresponsibly, should we so choose, under the shroud of privilege.

Mr. Chairman: No. This is a tough one. I know we are having difficulty with it this afternoon. The privilege is the right to speak. That is it.

Mr. Warner: I have a suggestion.

Mrs. Marland: Let me finish. On that answer, Mr. Chairman, we have the right to speak under the protection of privilege or similar words. If what I say is something that puts the public at risk, or if it is a national secret and the security of the country is at stake, am I still protected under privilege?

Mr. Chairman: Yes, although you would also be vulnerable to the House itself saying that you were in contempt of the Legislature, in which case you would be unseated and removed from the Legislature. You are responsible to the Legislature, but no one can sue you for the things you say if it in any way inhibits your rights and obligations to speak freely as a member. That is the traditional gist of privilege.

Mrs. Marland: Am I also exempt from the conflict of interest act?

Mr. Chairman: This right of privilege supercedes virtually every other piece of legislation known to mankind. It is a basic right of a member of parliament to speak freely.

Mr. Warner: I have a suggestion. Perhaps it will be of help.

Mr. Chairman: You are going to weasel out on me.

Mr. Warner: With respect, I know it is difficult. Mrs. Marland is new to the legislature.

Mr. Treleaven: That is her line.

Mr. Warner: She has not had an opportunity--I am not suggesting that you read all of Erskine May, although it is well worth reading.

Mr. R. F. Johnston: It might help you sleep.

Mr. Warner: I suggest that we meet next Thursday and in the intervening time do two things: First, through the clerk's office, we invite a person or persons who would be of assistance to the committee in this regard--I think there is at least one individual in Ottawa who would be of some help to us--and second, the members avail themselves of the intervening week's opportunity to read at least the material that was provided by the clerk on privilege and possibly other sources such as Erskine May or Beauchesne's Parliamentary Rules and Forms.

Mr. Mancini and I had a little chat, and Mr. Morin and I had a little chat. Even for those who feel comfortable about the concept of privilege, it may be instructive to have someone here in person to discuss privilege, basically because some confusion exists as to how wide a scope privilege falls under and as to how narrow or wide an interpretation of a member's privilege, as exercised outside the assembly, is required.

It is fairly easy to document and put together arguments when privileges have been breached in the House or its confines or a committee, even when the committee is travelling. It is more difficult when the member is outside the Legislature.

Mrs. Marland: Why did the Speaker say this afternoon that the question for the Minister of Northern Development and Mines was asked outside the Legislature?

Mr. Warner: It was a different matter. However, the Speaker also said he would read Instant Hansard and come back with a decision. He will deliberate on it and determine whether a breach of privilege occurred, and then he will deal with that.

Mrs. Marland: He was not interested if it was outside the House.

Mr. Warner: In that case, a fair bit of precedent existed.

Mr. Chairman: Let us correct this part. In the first instance, as he did this afternoon and with this one, the Speaker's job is to hear the initial call of a point of privilege. Then the Speaker decides whether it is a matter to be considered further. The first check and balance in the system is the Speaker. You must raise it in the House at the earliest opportunity. The Speaker hears your point of privilege and decides whether it is worth having a committee hear it.

In this instance, the Speaker listened to three or four members of the Assembly speak to the point and said he agreed that it was a matter that ought to go to committee. A motion was put and passed by the Legislature. Then all the members who voted on it--I believe it was unanimous--decided the matter was serious enough that a committee of the Legislature should hear it. That is the distinction. Motions have been put and an initial judgement has been made. It is our job to make a final recommendation to the House.

Mr. Warner: Is it agreeable to other members of the committee if we--

Mr. Treleaven: To help Mrs. Marland, this afternoon the Speaker was going to go to Instant Hansard not for what was said outside the House, but for what the Progressive Conservative members said that member repeated today in the House. It was something said in the House that he was going to look at.

Mr. Chairman: The Speaker has not made a ruling on that matter yet.

Mrs. Marland: He also prefaced his comments, and that is why it is relevant to the subject before us now. Because the comments had been made outside the House, he prefaced his comments as though we were not going to comment on them in the House.

Mr. Treleaven: I think that is what he said first until some members said--

Mr. Chairman: I must intervene because you are off the track. We have had a suggestion put to us that, in effect, the matter be stood down.

Mr. Bossy: On a point of order, Mr. Chairman: I had my hand up.

Mr. Chairman: You are on the list.

Mr. Bossy: I realize that. However, except on a point of order earlier, I have not had a chance to say anything. Almost every other member has had two opportunities.

Mr. Chairman: Do you want the floor now?

Mr. Bossy: I feel a little recognition should be given here.

Mr. Chairman: I want to apologize to you. I have a problem. Members object when I adhere to a strict speaking order, and I really do not like to do that, but that is the problem that is posed for me. When I take interjections or points of order, it means that someone further down the list does not get a chance to be heard. Mr. Bossy is correct. He has not had a chance to do that. I would like to offer him a chance to say his piece before any more wishy-washy revisionist motions are put.

Mr. Bossy: I would like some clarification. Do we have a Legislative Assembly Act?

Mr. Chairman: Yes.

Mr. Bossy: Are we to base our judgement on all the information contained within that act or do we create a whole new act? Interpretation and then I want to go--

5:20 p.m.

Mr. Chairman: Let me try to respond. A section of the Legislative Assembly Act does deal with this matter. In addition, there are the precedents that have been established here and in other jurisdictions. There are the traditions and rulings that have been made in all parliaments. Our job is to make a judgment based on all those things.

Mr. Bossy: The act states, "A member who is intimidated," and we have used that word a lot around here, "or molested for what he says outside a proceeding in parliament cannot successfully claim privilege." The act says that.

Mr. Chairman: That is not the act. I believe you are reading the staff notes.

Mr. Bossy: Is that not part of the act? It is quoted here.

Mr. Chairman: That is not in the act. That is a parliamentary opinion that is quite broadly held.

Mr. Bossy: "In order to be considered a matter of privilege, this must be during a proceeding in parliament."

Interjections.

Mr. Bossy: On page 7, it says "privilege."

Mr. Chairman: The sections of the Legislative Assembly Act that are applicable are on pages 3, 4 and 5. Are you reading from page 7?

Mr. Bossy: It refers to, "The Legislative Assembly Act sets out the privileges of the Legislative Assembly."

Mr. Chairman: The references follow.

Mr. Bossy: Then it goes into all these numbers. I have to take this for granted, based on the information I have. I did not go back to the act.

Mr. Chairman: Let me clarify this for you. I believe the quotations are a reference from this book, Parliamentary Privilege in Canada, and are an opinion, held in this instance by Joseph Maingot, QC. It is an opinion you are quoting, not the act.

Mr. Bossy: It keeps referring to "within the legislative bill." "Constituency" does not enter into it, according to what I have gathered.

Mr. Chairman: That is an opinion, not the act. Let me put it this way: It is a widely held opinion among parliamentarians that your privilege does not extend past the jurisdiction of the chamber's doors. This committee in its deliberations has said on at least one occasion that you do have privilege outside the chamber. You have it in your offices.

Mr. Bossy: That is a different kind.

Mr. Chairman: We gave a precedent and made a ruling that said, in effect, that comments made by a member as far away as just north of Kitchener also are protected by means of parliamentary privilege. The facts are that there is no real physical limit on matters of contempt or privilege. A judgement has to be made on the relevancy of each case.

If you are looking for an act that says, "If you step over this line, you are out of luck," you will not find it. I wish you could, but you will not.

Mr. Bossy: I have problems with the actions Mr. Reville took. I say he did it personally and politically--I would say it was highly political--and it was his perception of what he should do as a member to react to a situation that he felt it possibly would be in his interest to support.

However, it would not necessarily be in my interest, but whatever decisions are made on the basis of what his actions were will reflect on me as a member. What I foresee politically to be right to do for political reasons--we have to take it in the political context, because that is the only reason he was there. There was no order from this Legislature for him to represent the Legislature of Ontario there. He was not there on behalf of myself or any of the members here. He did it on his own.

Whatever actions he took, should he not pay the consequences if it is deemed that there are some consequences that relate to the actions, consequences that would not be taken against me for trying to resolve the same problem, but not using his methods? How far can we go to incite someone? I keep coming back to it. That happened while he was there.

Mr. Chairman: Let me try to help you a bit.

Mr. Bossy: It was created because he was there. When all that paper went down, that was destruction of property within that building. He incited some excitement in the building to throw the paper over or to throw peanuts around or whatever. We have that evidence here.

Mr. R. F. Johnston: No. All we have had is evidence that somebody thought there was cause and effect. We have never had anybody participating who said there was--

Mr. Bossy: Are we not allowed to call witnesses about what occurred? This is what I am saying.

Mr. Chairman: Let me try to help you a bit.

Mr. R. F. Johnston: As far that goes, there was Mr. Riddell at Fleck, but we said his privileges were abused.

Mr. Chairman: This is hard for us to do. It is incredibly difficult for members of a Legislature. We are all political. We would like to believe we are statesmanlike and all of that, but we are here because of the political process.

In other matters I can only quote the precedent that was here. We have to judge it on an individual, case-by-case basis. We have searched for precedents that are similar to this. They are few and far between. What is at stake here is not whether you agree with what was said, and it is not whether you are happy with the situation in which it was said. Those are not matters before the committee.

Very simply, what we have here is is a member of the Legislature who rose in his place and said, "I have been intimidated by the actions of a bank."

If you want to go through the history of parliamentary privilege, a touch point basically be this: Did somebody serve some papers? That always seems to be one of the critical points. Did somebody sue me and serve me with a notice of the law? For example, I have on occasion contended in the House that my privileges were abused because someone served me with legal papers indicating his intention to sue me. The Speaker said: "That is clear. It happened here at Queen's Park. It did not happen in the chamber, but it happened in your offices. Here are the papers. You have laid them on my desk. It is a matter of privilege. They cannot sue you."

Some are easy. It gets a little more difficult when it moves outside the chambers. Then we have to make decisions. What is the

Speaker's jurisdiction? If it happens in your office, do your privileges apply? Generally, we have held that they do. When you move outside the building, do your privileges apply? In the one precedent we have, this committee said they do.

The awkwardness is the member's right to speak. Does a member have a right to speak? That is what privilege is about. Does someone interfere with his right to speak by doing something? That is what we have to decide. In this instance, by means of serving him with a written notice of an intent to do something, did the Canadian Imperial Bank of Commerce in some way interfere with his rights and privileges to speak freely as a member? That is the decision that is before the committee.

If I may generalize, I sense this committee is not ready to make a decision on the matter. Having discussed it for only an hour or so--

Mr. Mancini: Two hours.

Mr. Chairman: I sense the committee is telling me through body language and the other techniques it always uses so well that it would like some time to think about the matter. Am I correct in my assessment?

Mr. R. F. Johnston: Your judgement is selective.

Mr. Chairman: Let me try to interpret the body language you are throwing at me here. Does it mean the committee would like to set the matter aside until next Thursday, at which time we will--

Mrs. Marland: We do not have a quorum now, do we?

Mr. Chairman: Yes, we do.

Mrs. Marland: We do not have a member of--

Mr. Chairman: We do not have David Warner, but that does not destroy our quorum.

Mr. R. F. Johnston: It is a great loss.

Mr. Chairman: It is a great loss.

Mrs. Marland: Mr. Johnston is not a member of the committee.

Mr. Chairman: Yes. He is duly substituted for this afternoon's session. Do I have a consensus that it be set aside until next Thursday at 10 o'clock?

Mr. Mancini: Can we use this opportunity to try to obtain experts to appear in person?

Mr. Chairman: If you want to call further witnesses to advise the committee, you will have to tell me who.

Mr. Morin: I will make some suggestions to that effect. I will give you some names and perhaps the clerk of the committee can call on these people or find out whether they are the people we are looking for.

Mr. Chairman: May we leave it this way? The members of the committee are free to contact the clerk. The intention is to invite witnesses before the committee who may be able to assist us in our deliberations.

Mr. Mancini: A maximum of three.

Mr. Chairman: We will try for three.

The committee adjourned at 5:30 p.m.

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STANDING COMMITTEE ON PROCEDURAL AFFAIRS AND AGENCIES, BOARDS
AND COMMISSIONS

MEMBERS' PRIVILEGES

THURSDAY, DECEMBER 19, 1985



STANDING COMMITTEE ON PROCEDURAL AFFAIRS AND AGENCIES,
BOARDS AND COMMISSIONS

CHAIRMAN: Breagh, M. J. (Oshawa NDP)
VICE-CHAIRMAN: Mancini, R. (Essex South L)
Bossy, M. L. (Chatham-Kent L)
Marland, M. (Mississauga South PC)
Martel, E. W. (Sudbury East NDP)
McCaffrey, R. B. (Armourdale PC)
Morin, G. E., (Carleton East L)
Newman, B. (Windsor-Walkerville L)
Sterling, N. W. (Carleton-Grenville PC)
Treleaven, R. L., (Oxford PC)
Warner, D. W. (Scarborough-Ellesmere NDP)

Clerk: Forsyth, S.
Assistant Clerk: Decker, T.

From the Office of the Assembly:
Lewis, R., Clerk of the House

Witness:

Maingot, J. P., Commissioner, Law Reform Commission of Canada

LEGISLATIVE ASSEMBLY OF ONTARIO
STANDING COMMITTEE ON PROCEDURAL AFFAIRS AND
AGENCIES, BOARDS AND COMMISSIONS

Thursday, December 19, 1985

The committee met at 10:13 a.m., in room 228.

MEMBERS' PRIVILEGES
(continued)

Mr. Chairman: I have a quorum. We have two witnesses before the committee this morning, Mr. Lewis and Mr. Maingot. Mr. Lewis, will you come and join us. The matter before the committee is the question of whether there was a breach of privilege against the member for Riverdale (Mr. Reville) by the Canadian Imperial Bank of Commerce.

Just to fill you in, last week the committee heard two witnesses; Mr. Reville was before us, and representatives of the Canadian Imperial Bank of Commerce were here. The committee was of a mind to seek some help, so to speak, and so we thought we would turn to a couple of people who have written a bit about parliamentary privilege, which is not exactly the most familiar matter before the committee but one which we have dealt with before.

Mr. Lewis, we are very interested in hearing what you might have to say in the matter.

Clerk of the House: May I say at the outset that when this matter was first raised, I was so deeply shocked--if that is the proper expression--I just felt that it must have some relation to privilege. My colleagues and I looked into it in great depth, all the precedents we could find, and we could find no precedent to bring this under the heading of privilege.

As you know, privilege must pertain to one of those rights that members of the House have that the ordinary body does not have. There is no suggestion that this comes in that area. What I mean is, anybody can demonstrate; there is no privilege about that. Not only that, but privilege must pertain to the member's duties in the Legislature. It has nothing to do with what he might do outside the House.

He may feel he is representing his constituents in some action he takes outside the House, but unless it is directly connected with his work in the House, it is not a matter of privilege. He might be able to take civil action as a citizen, but it is not a matter of privilege.

We looked into the question of intimidation very carefully. Intimidation, of course, must be a threat to the member: "If you keep on making speeches on this subject in the House, we will do thus and so," or "If you do not vote the way we want you to vote in a particular matter, we will do thus and so." The mere

severing of business connections with the member is not a threat against his actions in the House.

It is with considerable reluctance on the part of my colleagues and myself that we had to come to the conclusion that there was no question of privilege involved here. There was no threat or intimidation. There was no affront to the House in the conduct of its business. There was simply no precedent we could find that could bring this within the four walls of privilege, contempt or intimidation. I do not think I can say more than that.

Mr. Mancini: Just for curiosity, historically, how have we decided what is privilege and what is not, and how have we decided how to add to privilege?

Clerk of the House: I do not know that I can remember any instance when we have added to privilege. Privilege is fairly defined in both our own standing orders, in the British standing orders and in the federal standing orders of Canada. It is clearly defined that it pertains to those special rights which the members of the House have which others do not have and without which they could not carry on their business in the House. That is important. Without having those privileges, they could not work in the House.

To give an example, the privilege of being able to speak in the House without fear of being sued for libel is one of the best illustrations of privilege, because members could not carry on their work if they had to be subjected to that process.

10:20 a.m.

Mr. Mancini: Does that privilege extend to the committee?

Clerk of the House: Yes.

Mr. Mancini: It does not extend past those doors, I guess.

Clerk of the Committee: No. It extends to the Legislature and the committees thereof.

Mr. Mancini: I understand the traditional point of view of the matter of privilege, but I was wondering if you might help us out by suggesting whether, in certain situations only that could be decided by the committee at the time, incidents outside the House could be considered privilege.

I view the closing of Mr. Reville's accounts and the calling in of his demand loan as some form of intimidation. No one here could say it is not. We may argue as to the severity of the intimidation and whether he deserved it. In itself, that is something for a different debate.

Clerk of the House: Again, we come back to the point that it must be a privilege the members have but no one else has. In this instance, a similar action was taken against a number of other citizens.

Mr. Mancini: However, if we judge the actions against Mr. Reville in comparison with those taken against these other individuals, we will quickly find out, as we did, that the other accounts closed were what are termed "nuisance accounts." They had a dollar or pennies in them. No one's \$10,000 demand loan was called in on three weeks' notice. No one's mortgage was played with. No one's registered retirement savings plan or other banking work was stopped. I do not think we can compare the two in that regard, but I understand your point.

Clerk of the House: I can see your point. My point is, what were those involved intimidating him from, in the House?

Mr. Mancini: That is the question.

Mr. Martel: That is what is worrying me. I read the Premier's statement and he said, "I am shocked to hear what the honourable member has just told us." I heard you say this morning--

Clerk of the House: I was shocked.

Mr. Martel: You were shocked at the action of the bank. Those of us who have been around for a while were shocked. The bank did not do that because it had nothing else to do but contemplate its navel. The bank does that with some motive in mind. My suspicion was that it was to get rid of troublemakers.

What worries me is what Mr. Mancini is leading up to. Today, the work of a member is not like when we were writing precedents. Members' work takes them far beyond the confines of this building. In many ways, until 1963, the member's role was to sit around here for eight weeks and that was it. Today, the member's responsibility is year-round and much of his work is out of this building.

If one wants to stop a member from doing something, one of the methods is harassment or threats. I recall that in 1971 I was involved with a rather nasty bit of business with a couple of developers who took delight in having papers served on me. I was being sued. A friend sent a little gift of a statue that now is in my office; it says on it, "Sue the bastards".

Clerk of the House: Was this during the session?

Mr. Martel: Yes, in 1971. I did not bother bringing it to the House.

Clerk of the House: That was a straight case of abuse of privilege then.

Mr. Martel: That is right, but I was beyond the confines of this building. What I am driving at is, in the stuff I am doing in occupational health, when a lawyer phones me and says, "If you do not give me the file, then I have ways of getting the file"--that was within the past four weeks--what is he doing it for? I ask, why is the heavy hand of people there? We have to equate that with the role of the member today, which in many instances is far beyond the confines of this building.

If people are successful in using methods of intimidation against members, there will be many times when members will not be able to function; they will look over their shoulder twice. I am not saying it gives members the right to go around and scurrilously take people on because they have some sort of immunity. I am not suggesting that for a moment. I listened to your shock and to the Premier's shock. All of us felt the same way. The banks are trying to get at him.

All our roles take us far beyond the confines of this building in ever-greater amounts of time, as opposed to 20 years ago when members sat eight weeks a year. There has to be some method whereby members cannot be intimidated from doing their work. There are many people whom all of us have helped. We might have to take a second look now before we try to help them for fear that somebody will get at us in some form or other.

Clerk of the House: Frankly, that was the way I felt when it was first raised. That is why I searched so diligently to try to find some basis on which we could consider it intimidation, but I could not find one. Intimidation from what? I am not holding any brief for the bank at all by any means, but what was it trying to intimidate him from doing?

Mr. Martel: From participating further in any more demonstrations. I have been on more picket lines than I can count in my lifetime. People do not like it when members show up at picket lines. They carry with them--

Clerk of the House: They were not trying to intimidate him from doing something in his work in the Legislature.

Mr. Martel: I am saying the role of the member today is beyond the Legislature.

Clerk of the House: That is as far as I can go. I can tell you what privilege is now.

Mr. Martel: It is interesting you made the same assumption I did; that there was a reason. You had a suspicion. The banks were punishing the little beggar because they felt he was down there harassing them. He was involved in something they did not like: a strike. They do not want to settle with their employees. He is trying to lend the weight of his office to encourage people to support that strike and get them to throw away their credit cards. We might all do that.

Clerk of the House: What they were trying to inhibit him from doing was coming into the bank. That is what they were trying to inhibit him from doing.

Mr. Martel: I had not looked at it from that point of view. I am convinced that they wanted to get at him for being involved, and one of the ways was to embarrass him, call in his loans and make his life miserable. That would teach the rest of us not to go down there and participate in giving the same sort of assistance to those strikers.

They were not just trying to teach a lesson to Mr. Reville. They were telling the rest of us, "Here is this big, powerful bank that can go beyond, and we can do the same to the rest of you." If we allow that to happen, our hands are tied.

My friend the member for Armourdale (Mr. McCaffrey) is shaking his head. Maybe he would never do any of these sorts of things. He just might, though.

Mr. McCaffrey: I will speak in a minute.

10:30 a.m.

Mr. Martel: You cannot allow people to be intimidated in that fashion or to be treated in that fashion. All of us then have to say: "I cannot go down and speak on behalf of the workers at that strike because they will get at me somehow. They will call my demand loan in and I will not be able to pay them. Where do I borrow the money from?"

They got caught. They had decided that policy in October. That is what was very interesting about their argument last week. They had decided in October that they were going to do that. If you look in the pile of documentation before you, you will see they made up their minds in October that they were going to harass people.

The only problem is they got caught. A member of the Legislature was involved and they became very embarrassed. It was not a mistake at all. They had made up their minds before they decided to kick him out. They had made up their minds some time before November that this was the course of action they were going to follow with respect to people.

Their apology about their mistake is a lot of nonsense. They did it against a member of the Legislature who got coverage and so they became very apologetic. My friend across the way knows that. You cannot decide the policy in October and then say in November it is a mistake. That does not wash. They were out to get someone.

Mr. Warner: Mr. Lewis, I appreciate your lending us advice which is the result of decades of work in this Legislature. I would like to go back to what you mentioned--which we all clearly understand--about the development of precedents over the years. If someone uses a direct threat to a member of the assembly--

Clerk of the House: In connection with his work?

Mr. Warner: With his work here. If the bank had said to Mr. Reville, "If you continue to be involved in this demonstration"--

Clerk of the House: That is not his work in the House.

Mr. Warner: Right. Or to use a different example, if there was a bill and an individual or a company said, "We do not want you to vote in favour of this bill; if you do, there will be certain threats," that is a direct threat.

Clerk of the House: We will do thus and so.

Mr. Warner: That is pretty clear.

Clerk of the House: That is intimidation.

Mr. Warner: The problem is, in this very complex society in which we live in this day and age, it is possible for what I would call an indirect threat to occur. I gather what you are saying is that our precedents with respect to privilege do not cover that.

We have an indirect path for the bank, and its representatives acknowledge the fear we have. In the letter sent to us yesterday, December 17, by Mr. Brown, the solicitor for the bank, he states: "The importance of the alleged act of intimidation being intended to intimidate cannot be overstated." In other words, they are concerned not about the direct threat, but about the indirect threat.

In this situation they do not want Mr. Reville to participate in support of the workers. While they are smart enough not to issue a direct threat against him, they think they are sufficiently subtle in getting at him in a different way by calling his loans.

Clerk of the House: The point is that even if that is a threat or intimidation, it is a threat or intimidation to try to prevent him from doing something that anyone can do. It is not a threat in connection with his work.

Mr. Warner: That is one of the questions this committee is going to have to wrestle with, not just in Mr. Reville's case but in many more. The bank states clearly in its letter that the action against Mr. Reville was intended to provide a basis to keep Mr. Reville from entering the bank's premises to show support for the striking bank employees. That is the bank's official position. It knows clearly what it wants to accomplish. My fear is that if we do not find that there is a breach of privilege, this now is carte blanche.

Why does a bank or any other employer where there is a labour dispute not want a member of the assembly involved? That is fairly easy to guess. The member of the assembly occupies a certain status in the community and within our society. There is kind of an "official voice" involved.

For example, if a group of striking employees requested a member to appear and a member said, "No, I do not think I had better do that because something terrible might happen to me; I would lose my mortgage or whatever," then obviously the employees themselves might feel intimidated; so it is indirect. That is where I am saying we have to wrestle with that because we are dealing, as Mr. Martel mentions, with a different Legislature, a different role than, say, 40 or 50 years ago.

Clerk of the House: That is right. That is something you have to wrestle with. All I can say is that the law is that it

must be intimidation to prevent him doing something in connection with his work in the Legislature, such as voting on a bill.

Mr. Chairman: Just to pick up on that point, what if we took you out in the hall and said to you: "We shall fine you \$10,000. We shall close all your bank accounts. We are going to call in your mortgage. This has nothing to do with your work as the Clerk of the House"? Would you then say this is not intimidation?

Clerk of the House: If they were trying to prevent me from doing something--

Mr. Chairman: No. What if we simply said to you, "Mr. Lewis, this has nothing to do with your work as Clerk of the House, but we are going to fine you \$10,000, we are going to call in the mortgage on your home and we are going to close all your bank accounts"? Would you consider that to be intimidation?

Clerk of the House: What are they trying to prevent me from doing?

Mr. Chairman: Never mind what they are trying to prevent you from doing. We are just doing this to you. All we have to do is say: "This has nothing to do with you as Clerk. All we are going to do is simply fine you \$10,000, we are simply going to call in your mortgage and we are simply going to close all your accounts." Would you or would you not feel intimidated?

Clerk of the House: I should feel intimidated, but unless they were threatening me to make me do something in connection with my work, it is not--

Mr. Chairman: Okay. When you went back in this afternoon to sit as Clerk of the House, would you or would you not feel intimidated? Would you feel we are all honourable members, nice guys, warm, loving people, despite the fact we just took you out in the hall, threatened you with a \$10,000 fine, called in your mortgage and closed off your accounts? Would you or would you not feel intimidated by it?

Clerk of the House: I think I would wait until the session was over and then I would sue you.

Mr. Chairman: But you would feel intimidated.

Mr. Warner: We have concentrated on the concept of privilege in the general term and in a very wide sense. What I would like to do is to ask you your understanding on something with a little narrower basis. The concept of contempt is a form of breach of privilege. I am wondering if you would be kind enough to describe to the committee your understanding of the distinction, and whether the concept of contempt of the Legislature is something that might apply in this circumstance.

Clerk of the House: A contempt is an affront to the Legislature itself as the Legislature or to a member of the Legislature in connection with his work as a member of the

Legislature. I think the best example I can give you is the last case I know of, and I mentioned this before, in which a person was brought before the bar of the House. That was the late Hector Charlesworth, who later became editor of Saturday Night and a very distinguished journalist in Ontario.

10:40 a.m.

When he was a member of the press gallery, he wrote a letter to a member. I was under the impression at one time that it was a newspaper article, but it was not. I looked into it more carefully, and it was a letter he wrote to a member of the House, blasting him for something he had done in the House recently. The member showed it to Oliver Mowat, who was the Premier and Attorney General of the day.

Oliver Mowat stood in the House that morning and called the attention of the House to the letter and said he considered it an affront to the House. He was going to ask Mr. Charlesworth to appear voluntarily before the bar of the House after the luncheon break and if he did not appear voluntarily then further action would be taken.

Mr. Charlesworth, accompanied by the Sergeant at Arms, appeared before the bar of the House and made an abject apology. The person who originally told me the story was present at the time. He told it to me when I was very young and he was very old. He said Mr. Charlesworth was visibly trembling when he made his apology to the House. In view of his apology, he was dismissed with a reprimand.

That was a clear case of affront to the House, because of this address in connection with some action the member had taken in the House as a member--the way he had voted or whatever, I do not know what it was. According to what it says in the journals of the House, Mr. Charlesworth used some language in the letter that was considered offensive to the dignity of the House.

Mr. Martel: That would be awful.

Mr. Warner: In the circumstance we have before us, would you think the concept of contempt applies?

Mr. Chairman: Can I intervene? I took the time to look up this matter. It is rather interesting, and I will just read from the Hansard of the day.

"The bar being placed in situ"--I believe that means in place--"Mr. Charlesworth was admitted to the chamber and said:

"Mr. Speaker, with reference to the letter addressed by me to the member for East Lambton, on which I appear, in justification I can say that the communication was an attack on his ideals as a journalist and not upon his conduct as a member of the House; that it was a personal communication passing between old and intimate acquaintances, containing but one offensive word--which I should not have used under any circumstances--and that it was written under what I deemed extreme provocation.

"'Since I am advised that it was an offence to the general honour of the House, I desire to apologize for it and regret this occurrence.'"

I thought it would be of interest to the committee to hear the actual words that were spoken.

Clerk of the House: There was no Hansard in those days.

Mr. Breaugh: Are these the journals?

Clerk of the House: Yes.

Mr. Warner: I think it is clear, at least from what Mr. Lewis says, the precedent with respect to this type of situation is not there. Of course, we have inherited not only precedents but also rules which were adopted in an earlier time and and perhaps, as a Legislature, we have to look at modernizing our approach to privilege.

As the Clerk has mentioned, he was shocked. I guess a number of other people also are shocked at the antics of the bank. We have also noted that Mr. Fullerton is an old hand at the game of intimidation and was reprimanded for it in 1979, when he had to issue a personal apology to 1,500 people for his act of intimidation. He knew precisely what he was doing.

The problem for us is that because it did not happen in the confines of the building--and I guess Mr. Fullerton was not about to try to arrange a meeting with Mr. Reville in the building to remove his bank accounts--we are placed in a frustrating situation.

If we cannot find that the privileges have been abused, then the committee has to direct its energies to finding some other suitable resolve because, if we do not, the bank and everybody else knows they can pretty well do whatever they want, at least indirectly intimidating and threatening members, to lessen whatever pressures might occur from members being actively involved in issues in the community.

Clerk of the House: On the basis of what you were just saying, something the committee would have to consider very carefully is the other side of the coin. If you start trying to extend privilege to things that are not concerned with the House, then it may come to the point where you are giving a member carte blanche to go out and do whatever he damned well pleases.

Mr. Warner: Yes, I understand that.

Mr. Morin: This question may seem repetitive, but just to clarify my mind, is the calling in of a demand loan, when used in a punitive way against a member in his or her public capacity but not in a parliamentary capacity, a sufficiently serious action to be deemed a breach of privilege when this action may cause financial hardship for a member and thus impair that member's performance of his or her parliamentary function? Is this a question of fact in the particular circumstances?

Clerk of the House: I do not know whether I can answer that. They would certainly take some punitive action against the employee's behaviour in the bank; there is no question about that. Whether that has anything to do with the member's work in the Legislature is another matter. There is no question they were perhaps trying to get their own back, as it were. The effect on the member's privilege, if any, is more than problematic.

Mr. Morin: I have one more question. Are there any other issues you can think of that this committee should address in determining this case other than those stated in pages 12 and 13 of the memorandum that was prepared by the clerk of the committee?

Clerk of the House: No, I think he has covered it.

Mr. Morin: Those would be the two particulars that are covered in there.

Mr. Treleaven: I would like to follow up on what has been touched on today. As Mr. Martel said, so much of what we do as members is carried on outside of the Legislature. I would like the Clerk's opinion on whether privilege must remain static and go with precedents that are 50, 100 or several hundred years old, or whether there is room for innovation or modernization within privilege to expand it to what members do today. Can it be adapted to the changing duties of MPPs? Can you give us your opinion on that first?

10:50 a.m.

Clerk of the House: There is no question, as I have always said, that parliamentary procedure is such a living thing it is changing all the time. As an example of that, years ago when I wrote a brief for one of the committees on the committee system, some of the things I included were directly from the procedure in in Erskine May and the House of Commons of the United Kingdom. However, by the time the brief came out those conditions had changed; the procedure had changed so rapidly that it was out of date. There is no question there can be an expansion of anything to do with parliamentary practice and procedure.

Mr. Chairman: I want to follow up briefly on that. When individual members research the precedents on the matter, we find that most were written at an age when there was no such thing as a telephone, for example. Therefore, if we were looking at intimidation by means of a telephone call, it would be impossible to find a precedent previous to 1900, say, that would even acknowledge that such a thing as a telephone actually existed.

If you were arguing that a breach of privilege had occurred by means of a telephone conversation, you would be thwarted in finding the precedent by the simple fact that the telephone was not invented during the course of parliamentary history until fairly recently.

Clerk of the House: On the other side of that coin, I had a case in court many years ago where a person claimed to have been threatened by the accused on the telephone. I asked him how

he knew it was the accused when he told me so. You cannot prove who it was on the other end of the telephone.

Mr. Chairman: I think Mr. Treleaven's point is well taken that for much of parliamentary history the circumstances--

Clerk of the House: If I can expand, what I was pointing out to Mr. Warner was that you have to be very careful that you do not go too far and say, okay, a member of the House can go out and libel anybody and so on and be completely immune.

Mr. Chairman: Just to follow up on Mr. Treleaven's point a bit here, if we were searching for a parliamentary precedent over something that occurred in a shopping centre, we would be thwarted by the simple fact that there were no shopping centres throughout most of parliamentary history. We would be up a creek over the simple fact that there was no such thing as a shopping centre.

Clerk of the House: What a shopping centre has to do with that, I must say I cannot see.

Mr. Chairman: That is where it occurred.

Mr. Treleaven: Can I take this a little further? In committee, I think you replied to Mr. Warner's questions that there is no doubt that privilege extends while you are in the House and in this committee. I think you said that when you step out in the hall there is a line there that is broken through.

Several years ago, the standing committee on administration of justice went over to the Macdonald Block. We had a large number of people demonstrating and wishing to be in and so on; since these committee rooms would not hold them, we went over to a large room in the Macdonald Block as a committee, with Hansard, etc. Would the privileges still extend over there?

Clerk of the House: Yes, because it was a committee of the House, acting on instructions from the House and on an item of the House.

Mr. Treleaven: All right. Recently, within the past few months, this committee was up in Moosonee at the James Bay Education Centre, again recorded on a very jerry-built recording system. However, we were sitting there going over agencies, boards and commissions. In that case, did the privileges of the standing committee on procedural affairs and agencies, boards and commissions continue there?

Clerk of the House: When you are a committee properly constituted by the House and carrying out the instructions given to you by the House then you are acting within the scope of the privilege.

Mr. Chairman: The same problem would have occurred if we were searching for a precedent. We could not find a precedent which said this House has authority or jurisdiction or has ever been to the James Bay Education Centre. It has not.

Clerk of the House: It does not matter where it is. If it is a committee of the House acting under the authority and the instructions given it by the House, then it is an emanation of the House.

Mr. Chairman: That is your opinion, but the point I am making is that we would be unable to find a precedent for that.

Clerk of the House: Yes, you would. You would be able to find a precedent for the fact that a committee of the House, acting under the instructions of the House, is an emanation of the House.

Mr. Chairman: However, we would be unable to find a precedent of this House that a legislative committee had ever been to the James Bay Education Centre, because no committee of the House had ever been there previously.

Clerk of the House: It does not matter where you are. That is not the point. The point is, are you a properly constituted committee of the House carrying out the instructions of the House?

Mr. Chairman: Mr. Treleaven's point is that we would be unable to find a precedent for that. We would be able to make a ruling based on your opinion and similar kinds of things--

Clerk of the House: If you are looking for a precedent under James Bay or any other place, then, no, you would not find it.

Mr. Chairman: That is right, because there is no such thing.

Clerk of the House: However, that is immaterial.

Mr. Treleaven: Can I take it a bit further? I am giving practical examples. Recently, as a member and as Deputy Speaker, I and the clerk of this committee represented the Ontario Legislature in some way with a group of visiting members of the House of Assembly from Newfoundland. Where are we there on privilege if I had become involved in a dust-up in that situation?

Clerk of the House: You are not acting under the instructions of the House, as an emanation of the House.

Mr. Treleaven: Even though what I was doing was representing the House or representing the other members?

Clerk of the House: You were representing the Speaker.

Mr. Treleaven: I was representing the Speaker. It does not extend that far?

Clerk of the House: I would assume you were representing the Speaker, but you were not carrying out any instructions of the House.

Mr. Chairman: What if he were? What if the House had said we want the member for Oxford (Mr. Treleaven) to represent us at whatever function?

Mr. Treleaven: At a swearing-in ceremony?

Mr. Chairman: If in some way, as we do from time to time, we were to pass a motion or give some instruction to a member to represent the Legislative Assembly of Ontario at a function, no matter where and no matter what, would he then be covered by privilege?

Clerk of the House: Not unless he had specific instructions to do whatever it was he did.

Mr. Chairman: I do not think the House would give him a motion to belt somebody in the chops. It is an interesting point, though. If we said, "The member for Oxford and two or three other members will represent the Legislative Assembly of Ontario at a function in New York City," and something untoward happened there, would his privileges carry over to that jurisdiction?

Clerk of the House: It would be a very difficult matter to try to bring it within the four walls of privilege.

Mr. Treleaven: We have an example in front of us where three francophone members of the Legislature, one from each party, are going over to France within the next several weeks to attend a French-speaking thing of some kind. I believe they are going as representatives of the Legislature, of their parties, and as MPPs. Will they have any privileges there? The House is certainly instructing them to go.

Clerk of the House: No. They are not charged with some specific responsibility. Nothing has been referred to them as this matter has been referred to the committee. That is the point. They must be dealing with something that has been referred to them as a committee to do.

Mr. Treleaven: Therefore, we get back to your previous statement where you said privilege and rules of parliamentary procedure are living things, open to innovation and change. Yet as we try to explore this, we keep running into the same arbitrary, concrete wall, which does not seem to be living to me. It seems to be falling back on that same arbitrary rule without being able to adapt to modern realities.

Clerk of the House: I would have to come back again to what I said before, that the adaptation will have to be made by the Legislature, by creating a precedent, by bypassing a standing order or whatever. If it did that, it would have to be extremely careful that it was not going too far.

11 a.m.

Mr. Chairman: I have a brief question related to this. In the matter you quoted about Mr. Charlesworth, the press reporter, it is fairly clear in reading the journals of the

Legislative Assembly that this may have had some connection with something he did as a member, but it would not fall within your definition of being charged by the House to do something. He received a letter from somebody and raised it, and it was held that it was a matter of contempt.

Clerk of the House: The Attorney General of the day felt it to be an affront to the dignity of the House.

Mr. Chairman: Yes, but there was no motion in the House saying, "Do this, do that, do the other thing." There was no argument about whether it was in the chambers or outside of it. He received a communication, a letter, and raised it. The House held it to be a matter of contempt.

Clerk of the House: I do not know what the letter said. If it did not pertain to his work as a member, then I would be inclined to disagree with the suggestion that it was contempt.

On the point Mr. Treleaven raised about the three representatives of the House going to this French conference, it would be outside of Ontario and so it would be outside of our jurisdiction.

Mr. Chairman: We are not helped by the journals of the day which make reference to "an insulting and grossly improper communication," whatever that was; whatever nasty things were said.

Mr. Martel: On this occasion, Mr. Reville was not acting as an ordinary citizen. Why did the strikers ask Mr. Reville to appear and not the janitor from a nearby building? Why not someone who is a lawyer? Why not someone who is a teacher? Why did the strikers invite Mr. Reville to speak? That takes him out of the realm of the ordinary citizen because, you know and I know, the strikers asked him to speak because of the weight of his office. He was not acting as an ordinary citizen then, was he?

Clerk of the House: But he was not doing something that the ordinary citizen cannot do.

Mr. Martel: But the ordinary citizen is not asked to do that. In essence you are wrong, because they asked him. An ordinary citizen can make a speech, but they did not want an ordinary citizen to make a speech because the ordinary citizen's speech does not carry any weight. The reason the strikers asked Mr. Reville is that he is a member of the Legislature. If you want to strengthen your hand or try to gain support, you use a member of the Legislature. There is a vast difference.

Clerk of the House: Their reason for asking him is immaterial--

Mr. Martel: Oh, no.

Clerk of the House: Yes, it is. Unless he is doing one of things a member can do that John Q. Public cannot do, then it is not privilege.

Mr. Treleaven: To see whether there is any flexibility in this line, I have one more example of the Premier of the province going to a first ministers' conference in Ontario. Do any privileges extend and go with him? Does he carry any with him?

Clerk of the House: No, because it is not a parliamentary matter, it is an executive matter. It is the first minister of the province going in his capacity as--

Mr. Treleaven: What about the Treasurer, any other minister or any other member who goes along with him to that? It is the same thing. There is no official document giving him specific written instructions.

Clerk of the House: The privilege (inaudible) as a committee is an emanation of the Legislature that has been charged by the Legislature to deal with, in this instance, something that has been referred to the committee.

Mr. McCaffrey: A couple of times this morning the matter of the motives of the bank has been raised. Mr. Martel and Mr. Warner both raised it, and that is the key question. My view is that it is actually a fairly small incident and that the bank's motives were quite simple and uncomplicated.

The whole incident, however, has those characteristics we all like, as citizens or as members: the big, god-damned bank against this little citizen. It is all the juicier when the little citizen is a member of the Legislature. We think we see something sinister happening here. Then, as we should properly, we begin to look at privileges.

I said last week, and I believe it even more with the passing of time, that we have to be talking about the responsibilities at the same time. This is all the more evident in my mind after talking today about the antiquity, pre-telephone, and all the rest of it, and why the member was asked. Members of the Legislature today attract more media attention than the lawyer, the janitor and all the rest.

I submit that one of the responsibilities for a member today that would not have been as true before television and so forth is that given their demand to speak and their leadership role, they have to be as aware of their responsibilities as they are of their privileges.

The whole reason this thing came to a head is very straightforward and simple, as is suggested in this legal opinion put together by Blake, Cassels and Graydon, which says, "The reason for severing the banking connection was to make it possible to request Mr. Reville not to enter upon the bank's premises, something which could not be done as long as Mr. Reville was a customer of the bank."

Mr. Barrett, that guy left to hang out and dry by the president or chairman of the Canadian Imperial Bank of Commerce, the gentlemen wearing the hair shirt--do you remember him? He was here last week.

Mr. Martel: Do you mean the guy who is going to Moosonee?

Mr. McCaffrey: Yes. Mr. Barrett had to make a judgement call in the face of a good-sized crowd. That was the objective view brought by people who saw the crowd. There were some subjective opinions that people were being harassed and that people's safety might have been in jeopardy, but the fact of the matter is that Mr. Barrett had to make a judgement call.

My recollection is quite clear that he asked for some assistance from the police, who said the gentleman in question, our legislative colleague, was not trespassing because he was a customer of the bank. There was no legal recourse for the police or for Mr. Barrett. There was nothing they could do.

If he had not been a customer of the bank, then the laws we helped to write would have clicked in and the police would have done their thing to protect people from harassment, real or imagined. The man's account was closed because then he would be called a trespasser.

This brings me again to the question of responsibility. There is a line. I am sure my friend Mr. Martel has protested or demonstrated in front of Inco on a number of occasions. In the case of Inco--Elie, I defer to you--the line is pretty visible. It is a steel fence. On one side is private property.

I have no doubt at all, given your sensitivity to your responsibilities and your awareness of your weight, that if you were asked to get off the private property--no one in this room would ever say you do not have a right, perhaps even a responsibility, to demonstrate--you would do so, carrying on your protesting, proselytizing, passing out material, speaking or even inflaming the crowd.

Mr. Chairman: There is a question there somewhere.

11:10 a.m.

Mr. McCaffrey: Whatever you would do, you have every right and responsibility to do that, but there are some lines. They may be visible like a steel fence or they may bank doors, but there are lines, damn it, beyond which citizens, and in particular members of the Legislature, cannot and should not go.

So here was the bank branch manager, unprotected by his senior officers, who made a judgement call in the face of advice from the police: "He is a customer, he is not trespassing; close the account and he would be trespassing." Then neither the tellers nor the customers would run any risks. He saw that as a possibility.

I think this thing is really quite straightforward. It has been said, too, by Mr. Lewis, the Clerk of the House, that a member's privileges to protect him while he is speaking do not go beyond the premises of the assembly or committees of the assembly and do not give a member a right to speak on private property.

Damn it all, I am saying of all people who should know this, it should be those members of parliament who, given their responsibility, are called upon to assume leadership roles.

Mr. Warner: They were never even asked to leave the private property. Come on, Bruce.

Mr. McCaffrey: Listen, we get into the question of judgement and timing, and I think Mr. Barrett wishes he had phoned him two, three or four times and talked about it before he closed the account, but in the event he did not exercise all of his responsibilities any more than did our legislative colleague.

Mr. Morin: On a point of order: I was under the impression that this morning we were to question the two witnesses in order to be able to make up our minds if there was a breach of privilege or not. The statement being made by my colleague is determining more or less--

Mr. Chairman: Well, he is more anxious to argue the case.

Mr. Morin: That is right. We all are anxious. If I follow his example then I should also present my feelings about what the verdict should be.

Mr. Bossy: That was the very thing I was going to bring up. We have the Clerk makin his statement based on the legislation at present in effect as far as privileges are concerned, giving us his interpretation of that. We have notes based on that from our staff. I feel the questions being addressed to you now are going into the total case we are trying to decide here and now. I feel we should hear the other witness and then we can get into these hardball facts and try to drive each other out of this room with the proof we have.

Mr. Chairman: With the beautiful clear logic we all possess. Mrs. Marland, you had a question.

Mrs. Marland: Mr. Lewis, I heard you say very clearly that we must be careful not to allow the extension of privilege beyond the House to mean that a member may go out and do what he, and you used a very good expressive term then, pleases and be protected.

Do I understand that the essence of what you are telling us is that if it is not a parliamentary matter and it is purely an executive matter, at whatever level of executive we wish to apply that term, then the privilege is not extended?

Clerk of the House: I think what I said is if it is a personal matter, if it is something he is doing as a citizen and that any citizen has the right to do, then there is no question of privilege.

Mrs. Marland: I think you said executive matter when you were asked what the situation would be if the Premier went, and I understood--I certainly can hear what you are saying.

Clerk of the House: I was saying he was going to this meeting as a member of the executive and not as a member of the Legislature.

Mrs. Marland: Yes, and to clearly confirm comments about jurisdiction in terms of the committee, I understand if this committee is acting on direction from the House anywhere within the province, then privilege is also extended there. So the bottom line is doing the business of the House, and therefore even a single member of a committee should not be protected because it is not the committee meeting in its format to do the business of the House.

Clerk of the House: If it is not part of a member's duties as a member of the House, acting in his capacity as a member of the House, then no privilege applies.

Mrs. Marland: Okay. Then if a member interprets part of his duty as being to represent his electorate, which is the argument made here, then the finer definition has to be his duty as it pertains to the parliamentary procedures of the House: is that it?

Clerk of the House: His work in the House or committees thereof as a member of the House.

Mrs. Marland: Okay, thank you very much.

Mr. Chairman: Thank you, Mr. Lewis. We appreciate your assistance this morning.

The second witness this morning is Mr. Joseph Maingot, who is the commissioner for the Law Reform Commission of Canada and who has also written on the matter of privilege. I believe we can refer to him as someone who is informed on the matter of privilege and who appears before us as almost an expert witness.

I do not want to inhibit members, but I am going to point out that the clock says there are about 45 minutes left in the amount of time I can be physically in this room this morning. It is not that you need me to conduct your business, but I do have another meeting scheduled for 12 o'clock and I am aware that a few others do too. It would be really helpful if you would ask a couple of questions and save your speeches for later.

Mr. Maingot: Thank you very much, Mr. Chairman. It is an honour to be here and a privilege to follow the distinguished Clerk, Mr. Rod Lewis, whom I have known for many years. I certainly cannot disagree with anything Mr. Lewis has said.

To give some idea of privilege and its difficulty, a former Speaker of the House of Commons once told me that as a subject parliamentary privilege is a very elusive matter. That is an astute observation, because it is not always an easy task to spot or identify that a particular allegation constitutes, on its face, a question of privilege. It is even more difficult when gentlemen such as you, having heard the facts, have to determine whether a prima facie case really blossoms into a real case of privilege.

Just some general remarks. There are two sides to privilege. The member is interested in using his privilege to protect him from attacks from the outside. For example, if somebody wants to sue him for something he has done during the course of a parliamentary proceeding he can raise his immunity, his privilege as a member, to withstand any attack.

On the other hand, in instances such as this, when a member raises something in the House about what somebody else has done to him because he is a member, that in a sense is the other side of the coin.

The members, really, have to find the answer to the following questions. What was the member doing at the time? What did it have to do with a parliamentary proceeding? As Mr. Lewis said, that is the crux of it. The reason is that, historically, members have been protected, not for just anything they do, but for what they do that is involved with parliamentary proceedings. They were protected to go from their riding to the House of Commons; and the same thing here, they were protected on their way.

At one time the protection prevailed not only for them but for their servants. That was 300 years ago or so, that is irrelevant now. It probably emanated from the class system in England.

One has to think in terms of the sense of principle involved. The member needs protection while he is involved in parliament proceedings, otherwise he should not be entitled to any other protection. I think members understand that.

If he is sued for an ordinary, straightforward civil action and he is served with a writ of summons, then there is no reason he should complain, he is like anybody else. On the other hand, if he was served with a writ in the precincts while the House was sitting, that would be another matter. That would be in contempt of the Legislature, because technically that service would be in the Legislature, the chamber itself.

11:20 a.m.

I would suggest members should take into account and consider the reasons members have these privileges. The privileges are very few. There is freedom of speech while they are involved in parliamentary proceedings; freedom from having to serve on a jury, and that of course is set out in your statutes here.

There is freedom from having to appear as a witness in a criminal case unless it is their own case. If they are an accused they are like anybody else. If they are a plaintiff in a civil action they are like anybody else. The other privilege they have is that they do not sit on a jury. Perhaps I mentioned that.

Apart from that, members are like everybody else. You have to distinguish between those things that a member does in the exercise of his capacity or function as a member, only one of which is while involved in a parliamentary proceeding; and those that he does because he is a member, that is the difference. Not all are protected. It is only when he is involved in a parliamentary proceeding that he is protected. The reason is that that is when he needs the protection.

A member should not require any more protection when doing anything else. If he is driving to work, gets stopped for speeding and says, "There is a vote on in the House of Commons;" that is no reason. On the other hand, if that same member was walking to the House when there was going to be a vote and a person knew he was a member and was going to the vote and held him up, that is another matter. He is being frustrated in his work involving a parliamentary proceeding.

That is the distinction members have to take into account. If you find whatever is done relates to a parliamentary proceeding, in that case you have to decide whether what was done constitutes improper interference or obstruction. It is up to the committee to decide that.

Also bear in mind that the penal jurisdiction of the Legislature is very severe. Before a Legislature embarks on invoking its penal jurisdiction, it wants to make sure that serious contempt has taken place. It has the power to actually put somebody in jail for the rest of the session and the new session as well.

These are the things members have to take into account under any circumstances. No matter what time you are at in history, whether it is the 17th, 18th, 19th or 21st century, the principles remain the same.

The privileges for the member are only those that are absolutely necessary for the member to perform his parliamentary function, not his other functions--to go out and raise Cain anywhere, to speak to a Rotary dinner or to speak on behalf of a member of a provincial board. Those are important functions and the member wants to get re-elected, but that is not the purpose for which privilege was afforded the member. It is to protect him while he is involved in a parliamentary proceeding. That is the important consideration.

Whether a member is involved in a parliamentary proceeding or not is a factual matter that you, the members, have to decide. The public relies on your collective common sense.

Mr. Treleavan: Could I go down the same path I did with the Clerk? You mentioned 200 years ago or so and the situation of a member of Parliament coming to Westminster. He not only had privilege or immunity but his servant did as well. I must assume that would be his bodyguard so he could have free passage to get to Parliament to represent whomever. The protection of his bodyguard was taken away. It was adapted. Things were changing and it was not necessary to have that. It remained only on the member.

There was some flexibility shown, some modernization from the 1600s to the 1700s. In the same way, do you see the possibility of any flexibility or innovation, adapting and changing to modern circumstances in what parliamentarians, legislators, executives and premiers do today and so on? We travel worldwide and so on--

Mr. McCaffrey: Some of us do.

Mr. Treleaven: Some of us would like to.

Can you see any room for flexibility, or do you see this as a static thing, that we are stuck with these rules, as Mr. Lewis says, that you must have authority or specific direction from the House, it extends to there and no further?

Mr. Maingot: In a sense what is static, if anything at all, would be those privileges the members have historically felt were sufficient, those absolutely necessary, for them to perform their function. What is not static is the power of contempt of the House. As new devices are invented on the part of third parties outside or elsewhere to be contentious to the House, or to intimidate, the power of the Legislature is unlimited with respect to what it can find as contempt. So in that sense, the Legislature is always up to date.

With respect to the privileges the members require to perform their function, this Legislature, like any legislature, can amend its privileges and define and decide it requires other privileges. I would not think you would want to go back to that time when privilege of this sort provided immunity to executive assistants, because common sense would dictate otherwise and the public would not be keen on it; but you can make necessary changes by statute, you cannot do so by resolution.

For example, with regard to the power or penal jurisdiction of legislatures, 300 years ago in the United Kingdom they got rid of the power to fine for contempt. Confederation brought the same powers to the Ottawa House, and with equal powers here you do not have the power to fine. The province of Quebec, however, chose to provide a power to fine. It decreed that in the Legislature, in an act. So its power or penal jurisdiction exceeds that of the House of Commons in Ottawa. The Quebec assembly felt this was necessary to protect its members in the course of their parliamentary work.

Mr. Treleaven: Incidentally, a couple of years ago we in this committee put in a report to the Legislature to include fines as well as the penal reference. It has gathered dust since then, but we have recommended that as well.

What you are saying is that as the "outside world" changes and develops new means of attack, or means to oppose or means to deal with legislatures or politicians generally, the politicians and the legislatures are free to adapt and develop new defences.

Mr. Maingot: Yes. For example, if you permit television--you do have television--if you had private television which televised as it saw fit and that turned out to be handled in a way that really held the House in contempt, that could well constitute a contempt of the Legislature; the Legislature would be free to do that.

Mr. Treleaven: And adapt to this modern--that is where you are saying there is flexibility?

Mr. Maingot: Yes.

The privileges, as I mentioned, are very few, because historically they felt they did not need any more to perform their legislative functions, their parliamentary functions; that is all that was required.

Mr. Martel: That is a very simple rule. If you extend that back a bit, only the lords and the barons belonged to the Houses of Parliament at that time. The rabble did not.

Mr. Maingot: That is right. In the middle of the 18th century, you had the most--

Mr. Martel: Powerful people.

Mr. Maingot: Speaker Lenthall is reputed to be the one who brought the reputation of the House up; but even during his time there were terrible abuses of the privileges of members.

Mr. Chairman: Just to extend a bit on what Mr. Treleaven said, the concept of privilege was originally the right of the member to physically get to the Parliament and then to speak freely in Parliament. This was at a time when no records were kept. Parliament met in secret. Not even a journal could be kept of the transactions of Parliament.

11:30 a.m.

Common practice was that members were physically threatened, all of which happened outside the jurisdiction of the Parliament. They tried to kidnap folks before they got into the Parliament at Westminster, and there was a lot of intimidation. Hence came the matter of privilege: that you had a right to get into the building, and once in the building you had a right to say what you wanted.

Having read your thoughts on the matter, one of the things you focus on a lot is that the incident must almost be physically inside the building. Would you elaborate on that.

Mr. Maingot: Many of your privileges remain the same. You have the right to be protected for what you have done in the House no matter where you are in Ontario, or elsewhere for that matter in Canada. That privilege remains the same. The only thing you do not have on the outside in relation to here involves freedom of speech. Outside, you have the right to speak freely subject to common law; but whatever you say here cannot be questioned anywhere else. It can be questioned here, and it is, but what you say outside is done at your peril. The reason is: what has that got to do with parliamentary proceedings?

Mr. Chairman: That is what I find interesting. That is the particular point I thought we should pursue with you just a bit. It is clear to me, in reading Erskine May for example, that much of what constituted the beginnings of privilege had nothing to do with what the member said inside a parliament. A lot of the

cases or precedents have to do with members being able, physically, to get into the building, or somebody said or did something to them outside of parliament; threatened them; said, "If you vote for this bill we are not going to pay you any money any more," or "We will fire you," or some form of intimidation.

Much of the precedent is to do with things that did not occur inside the parliament, were not directly related to parliamentary duties, so to speak, but had to do with ancillary things. That is where I have a bit of a problem about, for example, your statement which I think Mr. Blake Cassels quotes here, about it must be precisely on something that is before the parliament, must be within the boundaries of the parliamentary buildings themselves, when much of the precedent establishes cases outside the doors of the building.

Mr. Maingot: That is a good point. The first privilege the member had was not for freedom of speech because he did not need that. What he said in the House was secret. The first privilege was to protect him in getting to parliament, to protect him from his creditors, and that still applies.

Mr. Martel: Well, poor Reville's really got a problem then.

Mr. Maingot: No, it is to protect him. The member is protected from his creditors in the sense they can sue him and get a judgement against him and they can levy upon his goods, but they cannot put him in jail. All of his goods are accessible, but not his body. His body belongs first to the House.

Mr. Chairman: That is a warming thought.

Mr. Warner: First of all, I appreciate your helping us out. I am glad we had the week's break between when we first started on this and today. The more I turned it over in my mind, I started thinking that what we might really be dealing with is more of a contempt of the Legislature as opposed to a breach of the privileges. It depends on how narrowly or broadly we focus it.

One of the issues you have raised is the question about it being direct, that is connected with a piece of legislation. If, for example, I participate in some function outside of the building that is directly connected with legislation before the House and a person or persons threaten me in some way that if I vote in a certain direction on the legislation which is before the House I will suffer in some way, either physically or economically, is that a breach of my privileges as a member?

Mr. Maingot: Yes, if the members find as a matter of evidence there is a positive link between what was done to the member and what he was doing in his legislative capacity relating to his work in parliamentary proceedings, then it is certainly open to the members to find--

Mr. Warner: We are not sure how direct the link is, in that while the situation was a first-contract dispute and there is first-contract legislation before the House, the bank argues that it is of no consequence because their employees fall under the federal act. I am not convinced that that position, in and of itself, exempts the bank from the argument, because there is no question that Mr. Reville was talking on the subject of first-contract legislation and that legislation is before the House. Obviously, it is in the bank's interest not to have him speak and they would prefer that he not do so. That is a questionable matter and one with which we are going to deal.

I have one question for you. Regardless of what privileges have historically been afforded members, does that in any way make the responsibilities of a member any less than those of other citizens?

Mr. Maingot: Would you take me through that again?

Mr. Warner: Let me try it again.

Members are given certain privileges, which you have enumerated. Because we have certain privileges, do we have fewer responsibilities than other citizens?

Mr. Maingot: I guess noblesse oblige is the answer, really. The member is constrained by the rules of the House. He is constrained by the House itself and by the courts, because the courts also have a right to determine whether something done by the House is within parliamentary privilege.

Privileges are defined so the courts can say, "Is what you have done really a matter of privilege?" But with respect to contempt, that is an internal proceeding and they are not going to get involved in it. There is a judicial issue that can come before the courts. In that sense, the member is made responsible for his actions.

Mr. Warner: Although I enjoy certain privileges as a member of the assembly, I still have the same responsibilities to society as people who are not members of the assembly.

Mr. Maingot: Absolutely. Even more so, because you have the added responsibility of representing all of the people in your constituency and everybody in the province in a fair and reasonable manner.

Mr. Warner: Unfortunately, it is the mistaken impression of some members that because we have certain privileges we automatically do not carry certain responsibilities. They think it goes the other way and that members face double jeopardy. We go back to a situation in which a member, to his regret, made a statement on television and was almost removed from the assembly and had his seat taken away from him. He could have faced criminal charges as well.

The member, then, faces that double penalty, which other members of society do not face. You have additional responsibilities, in part because of the privilege you enjoy as a member of the House. If you abuse your privilege you run a great risk. Does that sound reasonable?

Mr. Maingot: I cannot disagree with that.

Mrs. Marland: The answer we just received is basically what I said last week. We are not granted any rights over other members of the public in our behaviour, and the consequences of that behaviour, outside the House.

11:40 a.m.

Mr. Maingot: No, you have a responsibility to fulfil your duties and responsibilities as a member, there is certain legislation which applies to the member; but whereas some of the things you might say outside the House, which another person might say and which in his or her case would not be taken to task in the Legislature, in your case, in the case of a member, there would be more reason for other members of the Legislature to take into account what you have said outside. What may be contempt of the Legislature on the part of a third party, someone speaking outside the Legislature, may not be of interest to members in regard to privilege; but what a member says about the House is something different, particularly in reference to another member, the chairman of the committee or the Speaker in the course of their duties.

Mrs. Marland: I was having difficulty with the fact that I did not feel that just because I am an elected member of the Legislature I am then allowed to go out in public and have special privileges as to my behaviour in public and be extended considerations that might be extended to other members of the public who are not members of the Legislature. Therefore, if I go out into the public and make statements as a member of the Legislature, and by making those statements put other members of the public at risk, by exciting a group of people, for example, then being an MPP does not protect me from the consequences of my behaviour. In other words, if I behave irresponsibly and put the public at risk by perhaps exciting a group of people, and their reaction puts the public at risk, I have to accept full responsibility for the consequences of my actions.

Mr. Maingot: I cannot disagree with that. Outside the Legislature a member is the same as anybody else. They are amenable to the criminal law and the civil law, except they cannot be put in jail for not paying their debts. That is the principle--

Mr. Mancini: They cannot be put in jail for what, sir?

Mr. Maingot: For not paying debts.

Mr. McCaffery: You have given me a whole new lease on life.

Mr. Warner: Have I got news for some people I know.

Mr. Maingot: We no longer have debtors' prisons, but it is still possible under the law to obtain a judgement against someone, and if he has no good reason not to pay the judgement it is possible under the law to go to jail; in that sense members have protection; but they are like anybody else--

Mrs. Marland: In this case, if we are--

Mr. Maingot: As one of the members said, there is the added responsibility that they can be taken to task in the House too. So would a third party, but there would be more reason to take a member to task for what he said outside.

Mrs. Marland: On one hand we are talking about the bank's motives, whether it was trying to intimidate an elected person; but also, we have to consider equally whether that elected person was trying to intimidate the bank; and who is being put at risk here, whether or not--

Mr. Martel: The bank was.

Mrs. Marland: I really appreciate the editorial comments, but--

Mr. Chairman: If you make your questions just a touch shorter it will be tougher for them to get editorial comments in.

Mrs. Marland: Through you, Mr. Chairman, I would like to know whether I would be allowed to intimidate an individual or a corporation in the fulfilment of my duties and still be protected, even if it could be related to a matter before the House, such as the Labour Relations Act. Could it be broadly interpreted that I was still dealing with a matter before the House even though I was outside the House, in this case in the bank? If the bank is intimidating its employees whom I may have been elected to represent, is it my right to protect those employees even if I am intimidating a business?

It may not be a big business. The next time it may be Joe's Welding Shop that employs five people. It may be that I am down at Joe's Welding Shop putting his business in jeopardy. Joe's Welding Shop is not a corporate giant such as the Canadian Imperial Bank of Commerce, but am I allowed to intimidate it and get away with it and be protected because it is something to do with the Labour Relations Act which is before the House?

Mr. Maingot: The whole factual situation, of course, has to be looked at and we must take it all in context.

The motives of the member may be one thing. After hearing all the evidence that comes out we have to decide what this has to do with the parliamentary proceeding. If it has something to do with it, when it was done was it with an improper interference? What were the motives involved? Some of it may have to do with the kind of punishment. All things being equal, if you say it was

related to a parliamentary-elicited proceeding and it is therefore, in a sense, part of our jurisdiction, and also it was improper; but then if you find that the motives here were such that we are not really going to--we can understand that it took place, so in a sense we dilute the punishment.

All these factors have to be taken into account by the committee; but that said and done it is quite clear the member is like anybody else outside of a parliamentary proceeding.

Mr. Chairman: Any further questions?

Mr. Treleaven: May I explore my common thread? It seemed quite clear, and correct me if I am wrong, that if a member were to receive a letter from someone saying, "If you support such and such a bill I will call your demand loan," that would be privilege or an attempt to intimidate a member: am I correct?

Mr. Maingot: Yes, it certainly would.

Mr. Treleaven: All right. On the assumption that for certain people votes are perhaps more important than money, would it similarly be intimidation and abuse if that letter said, "If you support an abortion bill or a separate school funding extension bill, some emotional things, you will gain or lose four votes in this home; or I will work against you to take votes away from you; or I will do thus and so"; is that intimidation or attempt at intimidation?

Mr. Chairman: We all have on file about 12,000 letters saying all of that.

Mr. Sterling: I got copies of each one of those 12,000.

Mr. Maingot: It is a question of judgement and would depend on whether or not anyone wanted to raise the matter in the House. As the Chairman pointed out, members receive a lot of correspondence and comments from people in many walks of life. As a general principle, there is lobbying going on all the time. Members are subject to lobbying on the part of the farmer, the businessman, the plumber; everybody is lobbying the member to do something. Some of it is tinged with bad language; some of it is tinted with flowery language; and some of it may be tinted in the way that the honourable member said.

In each of these cases, you have to decide whether it is really an improper attempt to influence the member. People are attempting to influence the member all the time. Editorials are constantly doing that. It is up to members to decide on their own in each situation whether that is an improper interference; whether it really represents an obstruction or intimidation.

Mr. Treleaven: You are saying we are now into a grey area, we are into an area of degree. If a large labour union, farming federation or whatever were to send you that letter stating that if you support bill X, or if you are against bill X--it does not matter what bill--it is going to attempt to have all of its members vote against you, defeat you, etc., clearly that is intimidation.

But you are saying that if it were a large organization with X thousand members that is one thing, whereas if it is a little old lady who says she will not vote for you next time if you support X you are saying it is a question of degree now as to privilege and intimidation and abuse of your privileges. It is now a question of degree as to the size and muscle of the purported intimidator.

11:50 a.m.

Mr. Maingot: I would not say the size, because one person's act would be sufficient, depending on what that person does. It is the improper aspect of it which makes it contempt.

Mr. Treleaven: What is improper?

Mr. Maingot: That is the decision of the member, whether it is an obstruction or not, whether or not it impedes the member in carrying out his responsibilities..

Mr. Treleaven: So if he considers it an intimidation, or if he considers it an obstruction, he therefore considers it a breach of his privileges.

Mr. Maingot: Of course, it is not the member who decides that.

Mr. Treleaven: It is the House, of course, but in his case he would bring it up, and if the majority of the House similarly felt it was an intimidation, therefore, it would become a breach of privilege?

Mr. Maingot: Therefore, it would constitute contempt. It would be registered as a contempt of--

Mr. Treleaven: Of parliament.

Mr. Maingot: --of parliament.

Mr. Treleaven: It would also be a breach of his privileges as a member?

Mr. Maingot: It is intimidating him, so it really is an affront to the parliament.

Mr. Chairman: So that if Joe's Welding that I spoke vehemently against on their front doorstep last week sent me a note that said, "If you ever appear on our doorstep again, we are going to fit you with cement shoes and drop you in the lake. Even though we have only got five employees, four of them can handle this;" that would constitute intimidation and perhaps contempt and perhaps an abuse of privilege?

Mr. Maingot: It is up to any parliament or Legislature at that stage to determine whether it is contempt, but I am sure you would not want to find anybody or any particular act to be in contempt parliament unless it came within the traditional boundaries of what constitutes contempt.

Mr. Chairman: So it is up to the individual member to raise the matter before the parliament, and then up to the parliament or committee thereof to make a determination of how serious this really was.

Mr. Maingot: That is right. You cannot have parliament get involved in the nitty-gritty of it until the Speaker finds, when the member raises it in the House, that on the face of this it seems there may be a prima facie case of contempt. If the Speaker agrees, the House then decides whether or not it should go to committee. When it is before the committee, the committee looks at all the facts in detail and in its collective common sense declares whether its members find this a breach of privilege or contempt, and that it should take up the time of the House with a report on it.

Mr. Chairman: Any further questions from members?

Okay, we thank you for assisting us this morning. It is now getting a little late in the morning. If members wish we can deliberate on this further; members may wish to think quietly, positively, do a little more research and come back--in the second week in January, I believe--and hold our deliberations then.

What is the pleasure of the committee?

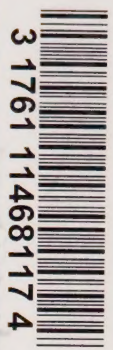
Mr. Treleaven: I would like to see us meet in camera for 10 minutes and bounce this around, at least give us something to think about as we go away for the two weeks.

Mr. Chairman: I am open to that suggestion.

Okay, we will do that. We will adjourn briefly and then reconvene in camera.

The committee adjourned at 11:55 a.m.

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